



SCRUTINY BOARD (SUSTAINABLE ECONOMY AND CULTURE)

Meeting to be held in on
Thursday, 26th January, 2012 at 10.00 am

(A pre-meeting will take place for ALL Members of the Board at 9.30 a.m.)

MEMBERSHIP

Councillors

M Rafique (Chair) - Chapel Allerton;
J Akhtar - Hyde Park and Woodhouse;
D Atkinson - Bramley and Stanningley;
S Bentley - Weetwood;
D Cohen - Alwoodley;
G Hyde - Killingbeck and Seacroft;
M Loble - Roundhay;
M Lyons - Temple Newsam;
J Matthews - Headingley;
V Morgan - Killingbeck and Seacroft;
M Robinson - Harewood;

Please note: Certain or all items on this agenda may be recorded.

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A G E N D A

Item No	Ward/Equal Opportunities	Item Not Open		Page No
1			<p>APPEALS AGAINST REFUSAL OF INSPECTION OF DOCUMENTS</p> <p>To consider any appeals in accordance with Procedure Rule 25* of the Access to Information Procedure Rules (in the event of an Appeal the press and public will be excluded).</p> <p>(* In accordance with Procedure Rule 25, notice of an appeal must be received in writing by the Head of Governance Services at least 24 hours before the meeting).</p>	
2			<p>EXEMPT INFORMATION - POSSIBLE EXCLUSION OF THE PRESS AND PUBLIC</p> <p>1 To highlight reports or appendices which officers have identified as containing exempt information, and where officers consider that the public interest in maintaining the exemption outweighs the public interest in disclosing the information, for the reasons outlined in the report.</p> <p>2 To consider whether or not to accept the officers recommendation in respect of the above information.</p> <p>3 If so, to formally pass the following resolution:-</p> <p>RESOLVED – That the press and public be excluded from the meeting during consideration of the following parts of the agenda designated as containing exempt information on the grounds that it is likely, in view of the nature of the business to be transacted or the nature of the proceedings, that if members of the press and public were present there would be disclosure to them of exempt information, as follows:- No exempt items on this agenda.</p>	

3

LATE ITEMS

To identify items which have been admitted to the agenda by the Chair for consideration.

(The special circumstances shall be specified in the minutes.)

4

DECLARATIONS OF INTEREST

To declare any personal / prejudicial interests for the purpose of Section 81 (3) of the Local Government Act 2000 and paragraphs 8 to 12 of the Members Code of Conduct.

5

APOLOGIES FOR ABSENCE AND NOTIFICATION OF SUBSTITUTES

To receive any apologies for absence and notification of substitutes.

6

MINUTES -

To confirm as a correct record, the minutes of the meeting held on 1st December 2011 as a correct record

(Copy attached)

1 - 6

7

2011/12 QUARTER 2 PERFORMANCE REPORT

To consider the report of the Assistant Chief Executive (Customer Access and Performance) on the Quarter 2 performance data relevant to sustainable economy and culture

(Report attached)

7 - 30

8

SESSION 1 - INQUIRY INTO THE IMPACT OF EXISTING SOURCES OF TRAVEL MOVEMENTS WITHIN THE CITY AND PLANS TO ADDRESS THE IMPACT OF KNOWN FUTURE DEVELOPMENTS ON THE CITY'S TRANSPORT INFRASTRUCTURE

31 -
44

To consider the report of the Director of Development which presents evidence for Session 1 as defined by the Scrutiny Board within the Inquiry Terms of Reference

(Report attached)

9

DEVELOPMENT DIRECTORATE : 2011/12 BUDGET - FINANCIAL POSITION AND 2012/13 INITIAL BUDGET PROPOSALS

45 -
90

To consider the report of the Head of Scrutiny and Member Development and the budgetary information provided by the Development Directorate for 2011/12 and 2012/13

(Report attached)

10

SESSION 2 - INQUIRY INTO MAXIMISING EXISTING POWERS TO PROMOTE, INFLUENCE AND CREATE LOCAL EMPLOYMENT, TRAINING AND OPPORTUNITIES AROUND MAJOR DEVELOPMENT PROJECTS AND THE PURCHASING OF SERVICES

91 -
108

To consider the report of the Head of Scrutiny and Member Development and appended reports which present information for Session 2 of the Scrutiny Inquiry on key mechanisms through which developers and contractors are engaged and identifies how these could be embedded within a more consistent approach to increase the opportunities for local people and local businesses

(Report attached)

11

WORK SCHEDULE

109 -
152

To consider the report of the Head of Scrutiny and Member Development setting out the work schedule for the Board for the forthcoming Municipal Year

(Copy attached)

12

DATE AND TIME OF NEXT MEETING

To note the date and time of the next meeting as Thursday 23rd February 2012 at 10:00 am

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Agenda Item 6

SCRUTINY BOARD (SUSTAINABLE ECONOMY AND CULTURE)

THURSDAY, 1ST DECEMBER, 2011

PRESENT: Councillor M Rafique in the Chair

Councillors J Akhtar, S Bentley, D Cohen,
M Lyons, J Matthews, V Morgan,
M Robinson and G Wilkinson

36 Declarations of Interest

The following Members declared personal interests for the purpose of Section 81 (3) of the Local Government Act 2000 and paragraphs 8 to 12 of the Members Code of Conduct:

Councillors Lyons and Morgan declared personal interests in agenda Item 8 – terms of reference for the Scrutiny Inquiry into Transport, as members of WYITA (minute 40 refers)

37 Apologies for Absence and Notification of Substitutes

Apologies were received from Councillor Atkinson and Lobley. The Board welcomed Councillor Wilkinson as substitute member for Councillor Lobley

38 Minutes

RESOLVED – That, subject to an amendment to minute 32 to refer to Scrutiny Inquiry Session 1 (rather than Session 2 as recorded) the minutes of the meeting held 20 October 2011 be agreed as a correct record

39 Inquiry into the engagement of Young People in Culture, Sporting and Recreational Activities - Session 2

The Chief Libraries, Arts and Heritage Officer submitted a report setting out the remit of Session 2 of the Inquiry (effectiveness and communication). The report included data collected on the availability and uptake of the different events and activities offered by LCC through various programmes aimed at young people. As reported previously, uptake was tracked through Breeze Card use.

Ms A Stowe of Leeds Owl Trust attended the meeting along with the following officers

Catherine Blanshard – Chief Libraries, Arts and Heritage Officer

Mark Allman – Head of Sport

Sally Coe - Out of School activities co-ordinator

Ms Blanshard stated that the data presented would assist identification of those parts of the Service which needed to maximise access; however it had become clear that there was no comprehensive data collection process and the Department needed to adopt common approach.

The Board heard from Ms Stowe regarding her experience as a representative of a voluntary organisation working alongside LCC. Ms Stowe outlined the activities provided and the usefulness of being able to work from

LCC buildings as a base to provide activities alongside LCC services. This in turn encouraged return visits. She also highlighted the resource issues facing voluntary organisations and her experience of working with Welcome to Yorkshire, a tourism venture jointly funded by Yorkshire local authorities

Discussions followed on the following themes:

Breeze Card access –

- Welcomed the 2010 blanket issue of the Breeze card funded by the Activities Fund
- Application forms were available in most public outlets and on-line. Attendees at Breeze events were also registered if they did not have a card
- A joint Library card/Breeze card was issued when a young person joined a library and this initiative was being extended to include sports activities
- Members supported the suggestion that every child entering into the care of LCC should be automatically registered for a Breeze card
- Noted the use of Breeze card recorded approximately 630,000 individual visits last year; and approximately 500,000 non Breeze card holders attended the same events

Service duplication -

- Concern there may be duplication of provision or lack of co-ordination with the Youth Service
- Considered the response that activities were not based on the boundaries of departmental responsibility and the two Departments worked in partnership to maximise the number of young people engaged in activities
- Noted that Scrutiny Board (Children and Families) was looking at the role of the Youth Service and Executive Board was due to consider the Youth Service provision in December

Locations

- The data showing service provision available across the area clusters and the concern that some areas of the city were not adequately provided for.
- Ms S Coe provided more detail on individual service provision, including the Friday Night Project which was regarded as a successful model to be rolled out across the city.
- Members commented that more should be done for inner-city areas where levels of deprivation were higher and life expectancy shorter. Officers highlighted the key issues of resources and commissioning to ensure relevant groups were reached in order to promote engagement and the healthy living agenda
- Members also commented that even areas regarded as “outer areas” included localities of deprivation or little provision

Prices

- Discussed the comment that Sports Centres did not provide substantial discount and the response that lower prices could not be proven to encourage new attendees and could restrict the range of events/activities available

Other Providers

- Events and activities provided by voluntary and charitable organisations were not all recorded in the schedule. Further work was required to give the full picture of services in order to assess and inform future provision, particularly from those organisations where funding it provided by LCC.

Members expressed surprise to note that Welcome to Yorkshire requested £300 corporate membership fees from local businesses, charities and social enterprises as well as receiving council funding, but required additional funds on top to promote venues, including council venues.

The following **Key issues** were identified

- the importance of involving young people at an early age so that they remained engaged with the scheme when coming up to “youth age”
- noted the challenge to provide events where young people gravitated. On some levels, the Service was hindered by the locations of existing LCC buildings - an example of this was the library service where the use of a mobile library had been successful
- the need to track where grant funding was spent and whether the recipient organisations were the most appropriate and effective. Future grant applications could have conditions to require the organisation to report back to the Department
- further consideration of opportunities to blanket issue the Breeze card was required
- the need to encourage a city wide approach – some area clusters produce publicity material on events available in their area, but each with a different approach. The Morley, Ardsley and Tingley cluster did an audit of all that was going on in their area. This resulted in a co-ordinated programme and could be a best practice model across the City.
- Schemes funded by Wellbeing/Activities Funding could be required to produced a printed programme which is available in every school in its area

The Board thanked the participants for their presentation and noted the discussions. Members suggested the Chair write to Welcome to Yorkshire to express the comments made by the Board today.

RESOLVED – To note the contents of the report and the comments made by Members

Councillor Bentley left the meeting at this point)

(Councillor Akhtar withdrew from the meeting for a short while at this point)

40 Inquiry into the Impact of existing major sources of travel movements within the City and the plans being made to address the impact of known future developments on the City's transport infrastructure - Draft Terms of Reference

The Head of Scrutiny and Member Development submitted a report setting out the draft Terms of Reference for the Inquiry into the impact of existing major sources of travel movements and the plans being made to address the impact of future known developments on the city's transport infrastructure.

Draft minutes to be approved at the meeting
to be held on Thursday, 26th January, 2012

The report outlined key areas for scrutiny previously identified by the Board and the scope and timetable of the Inquiry. It was noted that Councillor R Lewis, Executive Member with responsibility for development and economy and Mr M Farrington, Director of City Development had been consulted.

Mr G Bartlett and Mr A Hall attended the meeting and discussed the following comments with the Board

- noted and welcomed the recent announcement of government backing for the proposed Kirkstall Forge and Apperley Bridge train stations
- the impact of the Community Infrastructure Levy, particularly in view of discussions on proposals to establish a West Yorkshire Transport Fund
- provided assurances that this Inquiry would endeavour not to duplicate discussions being held by Scrutiny Board Regeneration on matters of transport and travel.

RESOLVED

- a) That the contents of the report be noted
- b) That, subject to the inclusion of information on the CIL into Session 1, the draft Terms of Reference as set out in the submitted report be agreed and that the Terms of Reference be updated as necessary throughout the Inquiry
- c) To note the Terms of Reference may incorporate additional information during the Inquiry should the Board identify any further scope for inquiry or request further witness or evidence

41 Reducing CO2 Emissions in the Local Authority Estate

The Head of Scrutiny and Member Development submitted a report as the basis of discussion on the reduction of CO2 emissions in the local Authority Estate and to determine whether further scrutiny was required and specific areas for further investigation

A copy of the Carbon & Water Management Plan 2011-2021 previously presented to Executive Board on 30 March 2011 was attached to the report, along with the Delivery Plan 2011-2012. The report also referred to the statement published by the former Scrutiny Board (Environment & Neighbourhoods) in 2008 on the Councils role in reducing CO2 emissions. The six recommendations made by that Board were included at appendix C with progress against those recommendations contained in the final 2009 tracking report at Appendix D.

Anne Chambers, Head of Corporate Property Management and Jon Andrews Environment Policy Manager attended the meeting to discuss the report. The term "local authority estate" was clarified and the Board commented that as many council services were sub contracted, those contractors should also be included within the remit of the Inquiry. The response that contractors bidding to provide services for the council had to comply with the requirements of the sustainable procurement process was noted. It was also noted that since tracking ceased in 2009, emission figures were generally still in decline although some Members felt this could be due to data on sub contractors not being included. The Board discussed whether any measures could be imposed on any contractor not seeking to reduce emissions, but noted the

Council could only encourage change by providing an exemplar of good practice and encouraging alternative fuel sources

The Board considered whether to review just the LCC estate or whether to receive further information to advise the board about the performance of Council's sub contractors in reducing CO2. The Board determined that further scrutiny of the issue may be required, but requested that an update on the LCC Delivery Plan containing up to date emission figures be presented to the March 2012 meeting along with information relating to sub contractor performance.

RESOLVED – To note the contents of the report and the appendices and to request a further report containing up to date emission figures be presented to the March 2012 Board meeting.

42 Work programme

The Head of Scrutiny & Member Development submitted a copy of the Work Programme for the 2011/12 Municipal Year which had been populated with the priority areas for scrutiny as identified at previous meetings. Copies of the minutes of the Executive Board meetings held 12 October 2011 and 2nd November 2011 were attached for consideration along with a copy of the forward Plan covering the period of 1 November 2011 to 29 February 2012

RESOLVED –

- a) To note the contents of the Work Programme
- b) To note any matters raised at this meeting above will be included appropriately
- c) To note the contents of the Forward Plan and the Executive Board minutes

43 Date and time of next meeting

RESOLVED – To note the date and time of the next meeting as Thursday 26th January 2012 at 1.00 am

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Report of Assistant Chief Executive (Customer Access and Performance)

Report to Sustainable Economy and Culture Scrutiny Board

Date: 26th January 2012

Subject: 2011/12 Quarter 2 Performance Report

Are specific electoral Wards affected? If relevant, name(s) of Ward(s):	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Are there implications for equality and diversity and cohesion and integration?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Is the decision eligible for Call-In?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Does the report contain confidential or exempt information? If relevant, Access to Information Procedure Rule number: Appendix number: N/A	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

Summary of main issues

1. This report presents to Scrutiny a summary of the quarter 2 performance data relevant to the Sustainable Economy and Culture. Three key issues have been highlighted for Members attention: Budget, Transport and Planning Performance.

Recommendations

2. Members are recommended to:

- Note the three issues which have been highlighted: Budget, Transport and Planning Performance and consider if they are satisfied with the work underway to address these issues.
- Note the overall progress in relation to the delivery of the Sustainable Economy and Culture City Priorities and consider if they wish to undertake further scrutiny work in any of these areas. In particular, Members may wish to focus their attention on the Council's contribution to the delivery of the city priorities as set out in the Directorate Priorities and Indicators.
- Identify any further reports or information that they may require to fulfil their scrutiny role in relation to the delivery of the outcomes for Sustainable Economy and Culture.

1 Purpose of this report

- 1.1 This report presents to Scrutiny a summary of the quarter two performance data for 2011-12 which provides an update on progress in delivering the relevant priorities in the Council Business Plan 2011-15 and City Priority Plan 2011-15.

2 Background information

- 2.1 A new set of delivery plans for the Council and the city were adopted by Council in July 2011 and this report is the first performance update setting out the progress in delivery of these plans. The plans and performance management arrangements that form the basis of this report have been developed alongside the revised partnership boards for the city in a whole system approach. Members will note that the delivery of City Priority Plan priorities are shared with partners across the city while the Council Business Plan sets out the Council's contribution to these shared priorities. This report whilst providing an overview of the performance relating to the City Priority Plan deliberately focuses more on the council's contribution which will best enable Scrutiny to challenge the organisation.
- 2.2 The new performance management arrangement include a number of new reports including:
- Performance Reports – these are produced for the each of the City Priority Plan priorities and for the 5 Cross-Council Priorities in the Council Business Plan. They are a one page summary of progress in delivering the priority including a RAG rating of overall progress. Where possible the headline indicator is shown in a graph to clearly indicate progress and the reports include a look forward to the actions due over the next 3-6 months. We have adopted the principles of outcomes based accountability in these reports.
 - Directorate Priorities and Indicators – a directorate scorecard has been produced for each directorate which sets out the high level progress against each of the directorates priorities and indicators in the Council Business Plan. These are all available on the intranet and published on the Council's website. It also includes the directorates contribution to the cross council priorities and indicators. For Scrutiny purposes these scorecards have been divided up so that each Scrutiny Board receives an update on the priorities within the remit of their Board recognising that these do not necessarily align directly to the Council's directorates in all case. Members will note that this does mean that some priorities will go to two or more Scrutiny Boards and Boards are asked to consider working jointly on any follow up inquiries or nominate a lead Board.
 - Self Assessment – each directorate has the opportunity in this section to raise any other performance issues that might not be directly represented within the directorate priorities and indicators.
- 2.3 These reports are designed to provide a high level overview of performance issues related to the City Priority and Council Business Plans only. Members will need to use this information and the discussion in their boards to identify what further reports and more detailed information they might require in order to fulfil their scrutiny role. Therefore, these reports are designed to be a starting point for the work of the board.
- 2.4 This report includes three appendices:
- Appendix 1a – Performance Reports for the Sustainable Economy and Culture City Priorities.
 - Appendix 1b – City Development Directorate Priorities and Indicators relevant to the Board
 - Appendix 1c – Environment and Neighbourhoods Directorate Priorities and Indicators relevant to the Board

3 Main issues

Performance Overview

City Priority Plan (CPP)

- 3.1 There are 7 priorities in the Sustainable Economy and Culture City Priority Plan and none are red, 4 are amber and 3 are green. The amber priorities are:

- Create more jobs.
- Support the sustainable growth of the Leeds' economy.
- Improve the environment through reduced carbon emissions.
- Raise the profile of Leeds nationally and internationally.

Council Business Plan

Directorate Priorities and Indicators

3.2 There are 12 Directorate Priorities which support the delivery of the Sustainable Economy and Culture priorities drawn from Environment and Neighbourhoods and City Development directorates. Of these none are red, 5 are amber and 7 are green. These are supported by 11 performance indicators that can be reported at quarter two of these 2 indicators are rated as red (these are listed below), 3 are amber, 6 are green. Red rated indicators are:

- Number of enquiries received from businesses seeking to locate in Leeds (City Development)
- Percentage of major planning applications completed on time (City Development)

Key performance issues for Sustainable Economy and Culture Board

i) Budget

3.3 The overall budget position for the council remains an area for continued focus. At the end of quarter 2 £80m of the budgeted savings required are on target and the projected year-end overspend for the council continues to reduce (£7.2m at Month 6). However, it is an area where we must not be complacent and all Scrutiny Boards need to be aware of the overall financial context when scrutinising the areas of work within the remit of their Board.

ii) Transport

3.4 The risk of not achieving an improved transport infrastructure for the city over the next few years remains high. This is due to funding uncertainties and delays around some of our planned major transport schemes (e.g. New Generation Transport, Rail Growth Package, Inner Ring Road, High Speed Rail etc.)

3.5 While a "green" rating has been provided at this stage, to recognise the achievements to date, the situation will be reviewed at quarter three in light of anticipated decisions relating to major funding bids. The failure of some or all of these bids would lead to a rating of "amber" or "red". Given the potential impact on the delivery of this and other related city priorities (e.g. economic development) it is suggested that this is an issue that Scrutiny continue to monitor.

iii) Planning Performance

3.6 Efficient and effective planning processes are a key contribution on behalf of the council for the delivery of a range of City Priority Plan priorities around economic development, creation of jobs, housing growth and the marketing/profile of the city; as well as having a direct impact on the income targets for the City Development Directorate. It is understood that the main reason for the red indicator around the completion of major planning applications on time is due to difficulties in signing off the section 106 agreements with developers. In the current economic climate, some developers may be reluctant to complete these agreements. The Council has a difficult role to play in ensuring the viability of development and obtaining appropriate contributions to developing infrastructure and providing community facilities. The new Community Infrastructure Levy (CIL) and draft regulations are currently subject to consultation (due to close on 30th Dec 2011). This new system is more flexible and provides an opportunity for the Council to re-assess its policy in this area in light of the strategic plans. However, it should be noted that CIL is intended to provide gap funding for infrastructure and there are likely to be far greater demands for funding than CIL can deliver. Work is underway in this area and a report on CIL is being taken to Executive Board in December.

4 Corporate Considerations

4.1 Consultation and Engagement

4.1.1 All performance information is normally reviewed by Directorate Leadership Teams, Partnership Boards (for City Priorities) and the Best Council Board (Cross-Council Priorities). However timings of some Boards did mean that this was not possible in all cases for quarter two, but in the future meetings will be scheduled to align better with the quarterly reporting cycle. All performance information has been reviewed by CLT and the Council's Performance Board.

4.2 Equality and Diversity / Cohesion and Integration

4.2.1 Whilst some of the performance reports do include an update on the significant issues for the delivery of the priority from an equality perspective some do not. This is the first time that these reports have been prepared and, therefore, Scrutiny Boards may wish to consider whether this issue is sufficiently covered in the performance reports in their area. This feedback can then be used to strengthen the reporting arrangements going forward.

4.2.2 This is also an issue that will be given further consideration through a piece of work that has been commissioned by the Leeds Initiative Board. This work is looking at what reporting arrangements are needed to track the cross cutting issues that run across several of the Strategic Partnership Boards like poverty and inequality (including child poverty and health inequalities). The aim is to be able to capture and understand the various contributions from across the Boards to these areas without necessarily creating separate and potentially bureaucratic processes. Proposals are scheduled to be brought back to the Leeds Initiative Board in February.

4.3 Council Policies and City Priorities

4.3.1 This report provides an update on progress in delivering the council and city priorities in line with the council's performance management framework.

4.4 Resources and Value for Money

4.4.1 There are no specific resource implications from this report; however, it includes a high level update of the Council's financial position as this is a cross council priority within the Business Plan.

4.5 Legal Implications, Access to Information and Call In

4.5.1 All performance information is publically available and will be published on the council and Leeds Initiative websites.

4.6 Risk Management

4.6.1 The Performance Reports include an update of the key risks and challenges for each of the priorities. This is supported by a comprehensive risk management process in the Council to monitor and manage key risks. From this quarter CLT have also reviewed the corporate risk register alongside the performance information which will further ensure that the Council's most significant risks are effectively identified and managed.

5 Conclusions

5.1 This is the first time that the performance reports and scorecards have been produced and there is still some work to do to ensure that they are high quality information updates, written in plain English with jargon kept to a minimum. In terms of City Priority Plan performance reports these also need to be owned and debated by the five Strategic Partnership Boards and include more information from across the partnership. Timing issues meant that this did not happen in all cases at quarter two although they were signed off by key stakeholders as appropriate. Outcomes Based Accountability support will be offered to all Boards to help

them to develop and refine their action plans for the delivery of the priorities for their boards and to help them to use the data to shape their performance discussions. Some of the performance information was also incomplete and will be chased for quarter three.

- 5.2 However, overall the performance reports and directorate scorecards are a clear and simple summary of performance that Members can use to understand the current performance of the in relation to the priorities from our strategic plans which are relevant to the Board.

6 Recommendations

- 6.1 Members are requested to:

- Note the three issues which have been highlighted: Budget, Transport and Planning Performance and consider if they are satisfied with the work underway to address these issues.
- Note the progress in relation to the delivery of the Sustainable Economy and Culture City Priorities Plans and consider if they wish to undertake further scrutiny work in any of these areas. In particular, Members may wish to focus their attention on the Council's contribution to the delivery of the city priorities as set out in the Directorate Priorities and Indicators.
- Identify any further reports or information that they may require to fulfil their scrutiny role in relation to the delivery of the outcomes for Sustainable Economy and Culture.

7 Background documents

- City Priority Plan 2011-15
- Council Business Plan 2011-15
- Council and City Performance Management Framework (Draft)

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Meeting: Sustainable Economy and Culture Board

Population: All people in Leeds

Outcome: All the people of Leeds lead prosperous lives.

Priority: Create more jobs.

Why and where is this a priority: Creating more jobs across Leeds is crucial for providing a wide variety of employment opportunities and helping to reduce the unemployment and poverty levels within the city. In particular, supporting local residents in deprived communities to access new job opportunities is a fundamental part of achieving this outcome.

Overall Progress: Amber

Story behind the baseline

Latest Leeds figures reveal unemployment has increased. Adult claimants and youth claimant figures saw an increase as did the number of vacancies, meaning there are almost 6 claimants to every vacancy¹. These figures were announced against a national picture of weak recovery with Gross Domestic Product (GDP) only showing 0.1% growth and high inflation at 4.5%, well above the target level of 2%. The employment rate in Leeds is 69%, slightly below the England rate of 70.4% but higher than both the Leeds City Region (LCR) and Yorkshire and Humber (Y&H) levels. In Leeds 18% of those claiming worklessness related benefits were under 25 years old.

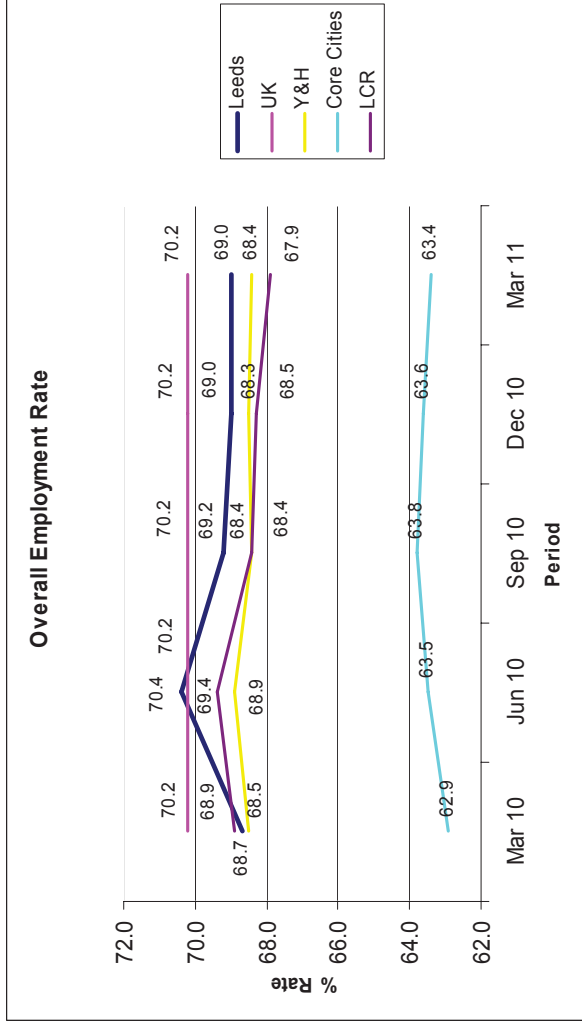
According to latest statistics from the Office for National Statistics (ONS), for male claimants in Leeds the proportion stayed at 5.9%, with 16,347 claimants. For females, it increased to 2.8% with 7,602 claimants

In the Centre for Cities most recent outlook however, Leeds is set to be one of the UK's best placed cities to take advantage of future national growth. This is because it already possesses a strong, diverse economy and consequently is an attractive location for further private sector investment. According to Experian Business Strategies' macroeconomic and regional forecasts total employment in Leeds in 2011 was estimated at 427,800. Between 2001 and 2011, 1,600 net additional jobs were created in Leeds. During the next decade, Leeds is expected to account for 30% of net additional jobs in the region (39,500 out of 131,300)²

What do key stakeholders think

The 2010 Spending Challenge consultation revealed that 90% of citizen's panel respondents felt the Council should work to get local jobs, for local people, and 89% felt new developments should be allowed provided new jobs are created. A new Economic Growth Strategy is being developed which focuses on key sectors (Health and Medical, Financial and Business Services, Low Carbon Manufacturing, Digital and Creative, Retail, Housing and

Headline Indicator: Overall Employment Rate*



*As data for the headline indicator 'Increase the number of new jobs' is not available until April 2012 the overall employment rate is being used as a proxy. This measures the proportion of the working age population (16-59 for females and 16-64 for males) who are in employment according to the International Labour Organisation (ILO) definition.

¹ Leeds Economic Bulletin – August 2011

² Leeds Economy Handbook – Autumn 2011 Update

<p>Construction, Social Enterprise and the Third Sector) for Leeds in terms of both existing jobs and new job opportunities. The Sustainable Economy and Culture (SEC) Board gave consideration to this proposed approach and were supportive at their meeting in October 2011.</p>	<p>What we did <u>Aire Valley</u></p> <ul style="list-style-type: none"> Government approval was granted in July 2011 to establish an Enterprise Zone (EZ) in the area. Regional Growth Fund (RGF) bid to fund public transport, local energy generation and distribution within the EZ submitted in summer 2011 Joint marketing and promotion of the EZ strategy developed. <p><u>Trinity Leeds</u></p> <ul style="list-style-type: none"> The flagship retail development is on course for its scheduled spring 2013 completion with almost 65% of the scheme already pre-let. <p><u>Leeds Arena</u></p> <ul style="list-style-type: none"> Work commenced onsite 23rd May 2011 Foundations, major retaining structures stairs and lifts completed. 9 Leeds residents have been employed in newly created roles on the construction and 53 jobs have been safeguarded since the scheme started. <p><u>Local Enterprise Growth Initiative (LEGI) Legacy</u></p> <ul style="list-style-type: none"> Grants totalling £55K have been awarded to seven businesses in Leeds which has supported the creation of 25 new jobs. The Louis Hamilton business centre which provides affordable workspace to local start-up companies opened in July 2011. The Middleton Enterprise Centre is on track to open its doors on 28th October 2011 <p><u>Small Industrial Units (SIU) Portfolio</u></p> <ul style="list-style-type: none"> 8 new lettings were granted in summer 2011 to companies employing 16 members of staff. 	<p>What worked locally /Case study of impact <u>LEGI Legacy</u> The Council awarded a grant of £6,000 to West Park Media, which are based in one of Leeds' most deprived neighbourhoods, towards high-spec Apple computers, a new server and camera equipment helping to enable the company to create 3 new jobs.</p> <p><u>Risks and Challenges</u> <u>Aire Valley</u> Market interest in new developments remains low and new businesses and jobs are not delivered as a result. <u>Economy</u> Stalled global economic recovery negatively impacts on demand for good and services from Leeds' companies.</p>
<p>New Actions <u>Aire Valley</u></p> <ul style="list-style-type: none"> Extend existing partner arrangements and increase the number of stakeholders to be involved in the partnership discussions <p><u>Trinity Leeds</u></p> <ul style="list-style-type: none"> Work closely with the developer to secure local employment opportunities through the Council's Employment Leeds project <p><u>Leeds Arena</u></p> <ul style="list-style-type: none"> Complete installation of the large proscenium arch over the stage. Support contractors to meet their commitment to recruit 60 new apprenticeships, complete the 30 existing apprenticeships already underway and create 102 progressions into employment opportunities for residents of Leeds. <p><u>LEGI Legacy</u></p> <ul style="list-style-type: none"> Submit full ERDF business case by December 2011 to support the expansion of the Chapeltown Enterprise Centre and Leeds Media Centre. <p>Data Development <u>Aire Valley</u> Work is underway with UK Trade and Investment (UKTI) to provide the Council with intelligence on international companies seeking to locate to the UK to enable it to bid in time, against other UK cities. Intelligence on forthcoming national/international trade events is also being sought for the Council to supply City marketing material to.</p>		

Meeting: Sustainable Economy and Culture Board

Population: All people in Leeds

Outcome: businesses are supported to start up, innovate thrive and grow

Priority: Improve skills.

Why and where is this a priority

Apprenticeships are the government's primary workforce development tool for existing employees and new recruits, with a particular focus on young people. A larger and broader mix of Leeds employers need to be engaged in apprenticeships in order to grow the city's skills base, increase employment and improve business productivity.

Overall Progress:
Green

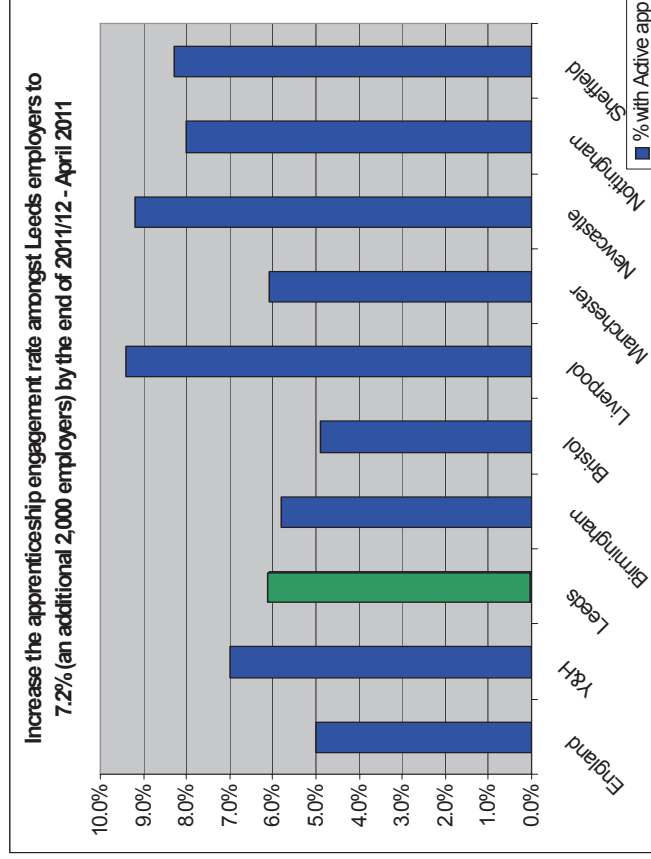
Story behind the baseline

-The apprenticeship employer engagement rate in Leeds was 6.1% in April 2011 (the most current available figures from National Apprenticeship Service - NAS). This equates to 1,621 of Leeds' 26,775 businesses having an active apprentice. The Leeds rate is higher than the national one of 5%, but below the regional one of 7%. Although Leeds outperforms such core cities as Bristol and Birmingham, it lags behind several others, particularly Sheffield (8.3%), Newcastle (9.2%) and Liverpool (9.4%).

- A key priority in the short-term is to close the gap between the Leeds rate and the regional rate, and to then surpass it by the end of 2011/12 (depending on the region's overall performance). To achieve this will require a concerted effort by key partners across the city, including the council, NAS, education and learning providers, the Chamber of Commerce and the wider business community, to encourage and support more employers to recruit new apprentices and develop their existing staff through the apprenticeship route.

- In line with national trends, the number of employers in Leeds with an active apprentice has increased steadily in recent years. In 2009/10, the Leeds engagement rate was 5.6%, this increased to 6.3% in early 2011, but then dropped slightly to 6.1% by April 2011. However, the breadth and success to date of city-wide promotional activity around apprenticeships, combined with its position as an ongoing government priority, suggests that the employer engagement rate for Leeds is capable of reaching 7.2% by April 2012 – an increase of 1.2% in the year.

- Again reflective of the national picture, current policy drivers and sustained local activity, there has been a huge increase in the number of people starting apprenticeships in Leeds in the last year. The most recent available figures from NAS show that there were 6,798 apprenticeship starts in Leeds in July 2011, a 98% increase on July 2010. It is important to note that changes to other mainstream workforce development programmes, such as Train to Gain, have had a major impact on the rise in apprenticeship numbers. It is also important to recognise that the full accurate picture on apprenticeship data in any single academic year (August to July) only becomes available later in November of that year. However, NAS make data available at regular intervals through the year which provides a good indication of trends and performance.



What do key stakeholders think

NAS are currently analysing the findings of a questionnaire to learners and employers. The outcomes of this will be available later in the year and will be used to inform ongoing work to promote apprenticeships to employers and to support them to take up the apprenticeship offer in Leeds.

What we did

- The Leeds Apprenticeship Challenge was a campaign launch in Feb 2011 with the first milestone to achieve 100 pledges to take on an apprentice, from 100 new employers, in 100 days. 162 Leeds employers signed up to offer 375 apprenticeship vacancies
- With over 400 new starts in the past year, the council is now one of the largest in the country in terms of supporting apprenticeships.
- Employment Leeds, the council's business solution for employers in the city, supports the recruitment of apprentices. Their work with employers in the city has identified 65 apprenticeship opportunities, 31 of which have been filled to date.
- Data from the apprenticeship vacancy matching site has been used to understand the profile of applicants who were not successful in gaining apprenticeships. Connexions advisers can then follow up these young people to provide them with appropriate support.
- A major event was held in May 2011 to promote apprenticeships to Year 11 pupils; this attracted over 1,000 young people and their parents / carers.

What worked locally / Case study of impact

Councillors have acted as local ambassadors to promote apprenticeships to young people and their families, as well as to employers across Leeds. Many such employers are small and medium sized enterprises or micro-businesses, who are harder for the council to engage. Therefore, personal contact from councillors helps to broaden the range of employers taking advantage of the apprenticeship route to developing and expanding their workforces.

New Actions

- The development of a mentoring scheme to support new apprenticeships, particularly at the point of transition from school.
- Build My Future, Build My Leeds competition - An initiative to increase awareness of apprenticeships in the construction industry through a competition for 16-18 year olds to win an apprenticeship within the flagship construction developments in Leeds; the Arena and Trinity Leeds. The competition launched on 5 September 2011 with the apprenticeship starting date in July 2012.
- Strengthening and further development of enterprise and employability skills in pre and post 16 provision, for example through the Education Business Partnership.
- A central careers fair for young people in Leeds, has been organised by the Prospects Service for the 22 and 23 November at the Royal Armouries, Leeds.
- An Apprenticeship Award ceremony is being planned for learners, businesses, training providers and schools in Leeds to recognise the accomplishments of apprentices and to raise the profile of apprenticeships with businesses. The ceremony will coincide with National Apprenticeship Week in February 2012 and the winners will be put forward to the NAS National Apprenticeship Awards.
- The Council is promoting and brokering apprenticeships to support businesses to meet employment and skills requirements through its planning function on new developments and its procurement activity. A Scrutiny Board inquiry is examining how we can maximise employment, training and supply chain opportunities.
- Work has commenced on a feasibility study for the establishment of Apprenticeship Training Agency for the city to be taken forward by a partnership involving Leeds City College, Leeds City Council and the Chamber of Commerce. This would support an enhanced learning offer through the Leeds Retail Academy matching provision to the planned level of investment in new developments.

Data Development

NAS provide a quarterly apprenticeship data pack for local authorities. This does not currently contain employer engagement data, however, NAS did provide this information following a specific request from Leeds in summer 2011. Negotiations are ongoing with NAS for this to be provided on a regular basis and to include data below city level to improve targeting and support increased take-up.

Risks and Challenges

Ensuring regular data updates on employer engagement activity from NAS will be essential to track performance and to inform the targeting of activity and interventions. Constructive discussions are ongoing to ensure employer data is included within the local authority data packs from 2012 onwards.

Meeting: Sustainable Economy and Culture Board

Population: All people in Leeds

Outcome: All people in Leeds have a high quality standard of living

Priority: Support the sustainable growth of the Leeds' economy.

Why and where is this a priority Ensuring Leeds has a strong and sustainable economy is important to the quality of its citizens lives and well-being. Attracting investment and supporting businesses to start up and grow will support the creation of new job opportunities which is vital in achieving this priority.

Overall Progress: Amber

Story behind the baseline

The volume of business registering for VAT has been in decline since 2007. This is because the economic downturn has created challenging market conditions which has made it more difficult for businesses to start-up and existing companies to grow. In particular, many companies are facing the challenge of attempting to find new markets at a time of tight cash flow and restricted bank lending.

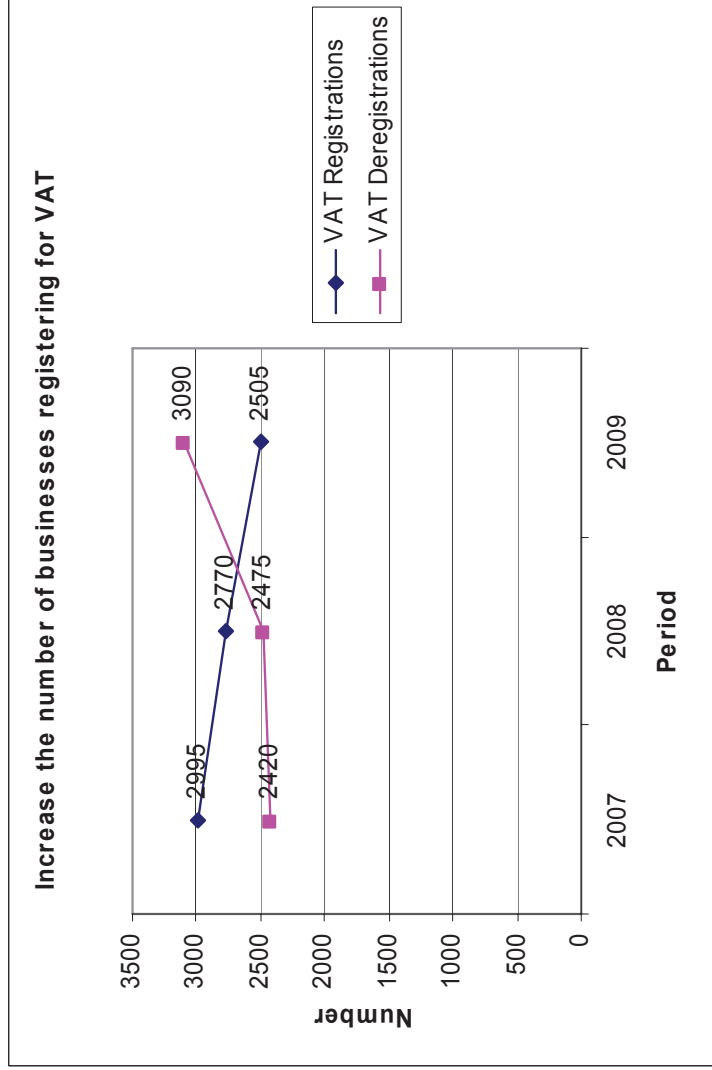
Cuts to public sector budgets has resulted in a reduction in private sector commissioning. However, the overall number of businesses which have become VAT registered has increased by 7.3% since 2004 representing a rise of 1655 business during that period.

The end of Business Link Yorkshires' face to face service and the Local Enterprise Growth Initiative (LEGI) programme in 2010/11 means the availability of publicly funded support for Leeds' businesses has significantly reduced.

Leeds has reported the 5th highest business survival rate after 5 years of all the UK's major cities¹.

A new Economic Growth Strategy is being developed for Leeds which outlines how the Council and its partners will collaborate to encourage increased investment and improved economic output.

Headline Indicator: Increase number of businesses registering for Value Added Tax (VAT)



Data for 2010 is not due until December 2011.

¹ Leeds Economy Handbook – Updated Autumn 2011

<p>What do key stakeholders think <u>South Bank City Park</u>: The consultation process reinforced the joint aspirations and vision of the South Bank Planning Statement. It supported the potential of this area to contribute to the sustainable growth of the Leeds economy with its emphasis as a major area of green space and mixed use development.</p>	<p>What we did <u>Developments & Projects</u></p> <ul style="list-style-type: none"> • <u>Eastgate</u>: Revised planning consent granted on 6th September 2011 • <u>Casino</u>: Consultation on the casino's licensing 'statement of principles' now concluded & License marketing strategy developed • <u>Holbeck Urban Village (HUV)</u>: Green corridor phase 2 successfully delivered • <u>HUV</u>: Tower works promoted and first phase contracts let • <u>South Leeds Investment Partnership (SLIP)</u>: Strategy launched on 25th June 2011. • <u>Trinity Leeds</u>: The flagship retail development is on course for its scheduled spring 2013 completion with almost 65% of the scheme already pre-let. <p>Infrastructure</p> <ul style="list-style-type: none"> • <u>New Generation Transport (NGT)</u>: Best and final funding bid (BAFFB) submitted to government on September 9th 2011. • <u>Leeds Bradford Corridor</u>: The Department for Transport (DFT) agreed funding to provide extra capacity on 7 peak services from December 2011 <p>Financial Inclusion</p> <ul style="list-style-type: none"> • A telephone advice gateway, which provides one common phone number for use across all advice agencies, was established in September 2011. This more equitably shares the consumer demand for debt advice across all providers. <p>What worked locally /Case study of impact A joint bid between the private and public sector was presented to MP's at Westminster on 13th September 2011 proposing to bring the £3bn Green Investment Bank to Leeds demonstrating exemplary partnership working.</p>	<p>Risks and Challenges <u>Developments & Projects</u> <u>Eastgate</u>: Economic uncertainty preventing developer confirming exact timing of delivery. Infrastructure <u>NGT</u>: DFT fail to approve BAFFB</p>
	<p>New Actions <u>Developments & Projects</u></p> <ul style="list-style-type: none"> • <u>South Bank City Park</u>: Develop an outline business case to assist with the delivery of the city centre park, on the basis of a phased implementation plan including the potential for a footbridge link to the Sovereign Street area • <u>Casino</u>: Obtain executive board approval to adopt the Casino's licensing 'statement of principles' in November 2011 and full council approval in January 2012 • Develop proposals for an advanced health medical park. <p>Infrastructure</p> <ul style="list-style-type: none"> • <u>NGT</u>: Bid decision expected in December 2011 • <u>Flood Alleviation Scheme (FAS)</u>: Present options report to Corporate Leadership Team (CLT) in December 2011 <p>Financial Inclusion</p> <ul style="list-style-type: none"> • Establish a Community Development Finance Institution for Leeds in conjunction with Leeds City Credit Union 	<p>Data Development None</p>

Meeting: Sustainable Economy and Culture Board

Population: All people in Leeds

Outcome: All people of Leeds will benefit from a world-class cultural offer

Priority: Get more people involved in the city's cultural opportunities.

Why and where is this a priority A creative accessible cultural programme which engages local people is a vital component of a healthy, inclusive, high profile city, and contributes strong links to the city's economy both directly and through encouraging business to relocate/stay in the city. The 2011 results from the annual Cushman and Wakefield show that 16% of respondents stated that the quality of life for employees was an absolutely essential factor when considering relocation to an area.

Overall Progress: Green

Story behind the baseline

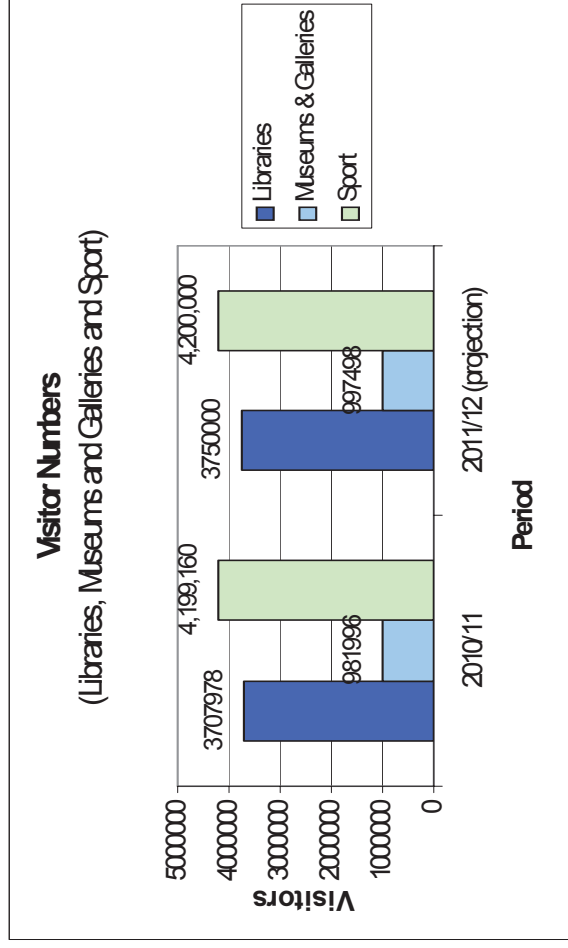
While Leeds has a wide ranging programme of activity in some areas there is not an equal take up across the City either geographically or by different community groups. The programme is strong in certain activities but weak in others and some communities have a lot of activity and others either have a perceived or real lack of innovative cultural opportunities.

The number of visitors to parks and open spaces is increasing, particularly for community parks and demonstrates that visitors are representative of the community of Leeds in terms of age, ethnicity, gender and disability. According to the last survey carried out in 2009 a total of 68.9 million visits were made to Leeds Parks. It is anticipated the Citizens Panel will be used for the next survey in 2012/13.

For some there are barriers to access whether these are physical or by age or simply by lack of information that they are able to interpret. For others there is an assumption that they are not welcome or that the event is not for them.

Actions are planned over the next few years to identify gaps in provision to improve communication and access and to work with both the providers and the audiences to build activities that overcome the identified problems. Partners have also agreed to sharing data to improve our knowledge in this area.

Headline Indicator: Increase the proportion of adults and children who regularly participate in cultural activities. Annual indicator no data to report at Q2.



What do key stakeholders think

- Consultation has taken place with children to obtain their views of what is on offer across the city. Examples of some of the feedback children gave were, not enough fun things to do in the City, the Art Gallery needed more creative arts facilities and better promotion. Positive feedback was the interactive nature of the museum, accessibility of the staff and activities in Libraries. This informal consultation was followed up during Breeze on Tour in the summer with the results currently being analysed.
- The Parks residents' survey in 2009 received 5,000 responses from adults, children and young people to identify the park they most frequently used and gathered information on satisfaction, frequency and reason for use. The survey showed significant increase in visitor numbers to community parks compared to surveys from 2004 to 2006.

What we did

- 'Dancing in the Street' exhibition project at Leeds City Museum working with partner carnivals (Otley, Bramley and the West Indian Carnivals and Leeds Pride).
- Over 600 community, charity and commercial events held in parks with Opera, Party in the Park and Red Bull Flug Tag held in July, Classical Fantasia and Leeds Asian Mela both held in September.
- Leeds won gold at the Chelsea Flower Show for the second year running and the 2009 and 2010 gardens have been relocated to Roundhay Park.
- Renovations works to the Terrace Bar under the Art Gallery and Central Library have now been completed.
- Leeds Art Gallery successfully attracted 3 major exhibitions; Sean Sully, Henry Moore and Damien Hirst.
- Completion of the Libraries Review, with more libraries open longer hours, new mobile routes introduced as well as the introduction of mobile internet facilities
- The Sport Positive Futures programme continues and engages with young people in deprived areas of the city. Some sports centres also offer 'Friday Night Projects'.
- Sports Restructure is progressing with the restructure and the delegated decision taken in early October, and the application process to be complete by end of October 2011.
- 18,000 young people took part in Breeze on Tour and 5,717 joined the Summer Reading Challenge reading 17,659 books.
- New playgrounds have been created including a significant accessible facility at Temple Newsam in partnership with Physcap.
- Parks and Countryside have engaged local people and organisations in volunteering including establishing new groups at Golden Acre, Middleton Park, Pudsey Park and Dartmouth Park.

What worked locally /Case study of impact.

- Leeds Half Marathon and the Jane Tomlinson 10K saw record numbers of people taking part. The events also welcomed runners from across the country bringing inward investment to the City.

Risks and Challenges

- The need to sustain the marketing strategy and public visibility of visitor attractions and services.
- Our ability to introduce improvements to the services in response to the public's changing use in the current economic climate
- Maintaining income in a difficult economic climate.

New Actions

- Cultural Olympiad - continuing to develop a cultural programme for 2012 . The Chinese Olympic committee will use Leeds as a training base in preparation for 2012, with competitors from Russia, Holland, USA, Australia, Serbia and Canada also using some of Leeds facilities.
- Lotherton Hall Estate - restoring key elements of the site broadening the visitor offer and improving access and safety to encourage more people to visit and stay longer.
- Mobile Library Services Improvements – introduction of a set of mobiles targeted at specific groups and replacement of the two oldest mobiles.
- City Centre Park – continued investigation into the development and site opportunities.
- 3 Year Grant Funding – responding to the Arts Organisations' requests to help their sustainability and long term planning.
- Extend the events programme e.g. Kaiser Chiefs concert. Continue to encourage community led events in parks.
- Art Gallery - Opening of the shop including a providing a Changing Places Facility.
- City Museum – increased involvement of children and young people in exhibition programmes.
- Community Asset Transfer negotiations taking place for Garforth Sports Centre and Bramley Baths.
- Engaged LMU to develop social and economic impact measure for culture in 2012.
- Middleton Park – commenced £2.2 million HLF Parks for People funded scheme developing new visitor facilities, improved infrastructure and access.

Data Development

- Work continues on developing the headline indicator.
- As part of the three year grant programme organisations will provide usage data.
- Working with Leeds Metropolitan University to develop social and economic impact measures for use during the cultural Olympiad

Meeting: Sustainable Economy and Culture Board

Population: All people in Leeds

Outcome: People choose sustainable travel options

Priority: Improve journey times and the reliability of public transport.

Why and where is this a priority

Improving vehicle journey times and the reliability of public transport is a priority for both the business community¹ and residents of Leeds². Each day over 750,000 vehicles cross the Leeds central cordon and at peak times, the transport system within Leeds supports around 120,000 commuters into the city centre. However, the growth of the economy has resulted in road congestion and over crowding on public transport. Addressing these issues in a sustainable way is a key challenge for the authority to make Leeds a world class city to live, work in and visit.

Overall Progress: GREEN

Story behind the baseline

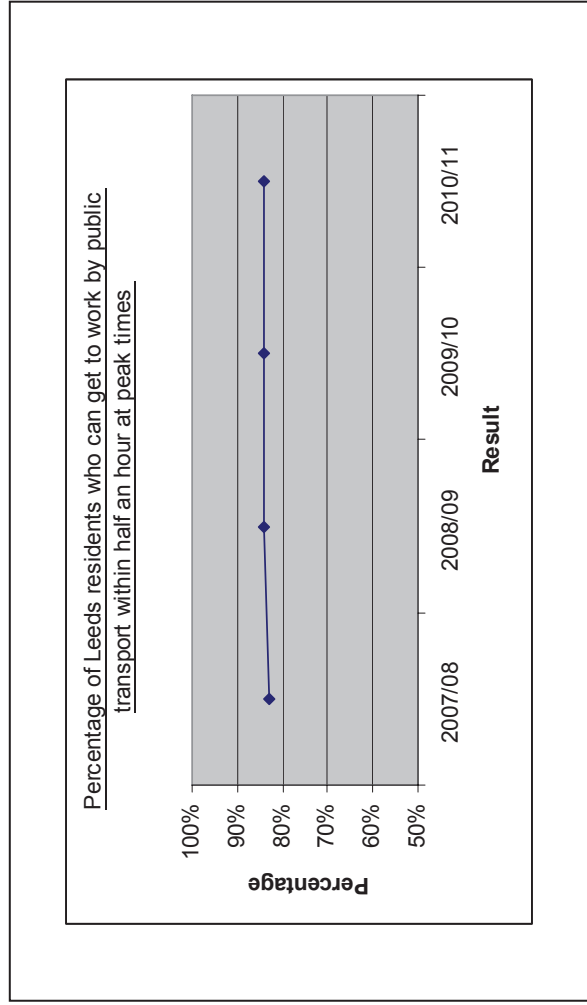
Performance on this headline indicator is static. In part, this is because Leeds covers a wide geographical area and residents in the outer areas – whilst served by a bus/rail service – may not be able to physically reach work within 30 minutes.

Network shrinkage (the withdrawal or reduction in frequency of services) has a disproportionately negative impact on people living in rural areas where there are fewer transport choices available. To allow for this Transport Policy intends to undertake sensitivity testing (see Data Development section) and discussions are ongoing with Metro in terms of monitoring the impacts of service cuts.

Overall, our performance is similar to other core cities (average 84%) and considering the decline in use of public transport due in part to the recession but also increasing fares, it is unlikely that additional services will be introduced. Also, Metro are planning to review all supported services in an attempt to reduce costs.

With regard to Improving vehicle journey times, this is a priority for the Local Transport Plan 3. Initiatives to achieve this include: the Traffic Light Priority Scheme, the Permit Scheme for Roads & Street Works, and providing access to more sustainable travel modes (e.g. introducing cycle paths). These initiatives will help lock in the improvements made in reducing vehicle journey times as a result of less traffic.

Headline Indicator: The percentage of economically active residents who can get to work by public transport within half an hour at peak times.



¹ Cushman & Wakefield Study 2010 – 26% of businesses stated that ease of travelling around the city was an absolutely essential factor when deciding where to locate a business.

² Results of the 2009 Residents Survey: 45% of respondents stated that a spending priority should be to improve getting around the area safely and easily without using a car.

What do key stakeholders think

The 2009 Residents Survey indicated that 26% of residents believed that public transport was one of the most important things in making their neighbourhood a good place to live. Every scheme undertaken is subject to extensive consultation which informs development. Recent major consultations include; New Generation Transport (NGT), Leeds inner Ring Road (IRR), Leeds Station Southern Entrance (LSSE) Rail Growth Package (RGP), and the Local Transport Plan 3 (LTP3). Also, METRO produce annual customer satisfaction surveys (results available November).

What we did

- Funding- £4.2 million of Local Sustainable Transport Fund (LSTF) money was obtained across West Yorkshire to reduce congestion, connect people with jobs and encourage them to make sustainable travel options. SUSTRANS funding of £519k received to fund scheme; 5, 15 and 16 of the Core Cycle Network. Best and Final Funding Bids (BAFFB) for; NGT, Kirkstall Forge and Apperley Bridge were submitted in September.
- Leeds Bus Partnership- A65 Kirkstall Road progressing well. A653 Dewsbury Road Quality Bus Corridor complete on Oct 16th. A developer contribution of approx. £166k (79% of scheme cost) has been obtained for Phase 2 of the Meanwood Bus Priority Initiative.
- High Speed Rail (HSR)– Consultation concluded in the summer. Support agreed for development of both the Manchester and Leeds routes within the same timescales. Awaiting decision.
- Managed Motorway Scheme (M62 J25-30)– Identified approx. £48m in savings on the scheme. Works to commence in October.
- Urban Traffic Management Control (UTMC)-Exec Board approval for funding to the value of £2.3m. Two contracts are now out to tender.
- Permit Scheme for Roads & Street Works– Bid submitted to DfT in Aug.
- Bus Lane Enforcement – Initial indications are that there has been an 80% reduction in violations since the scheme was introduced.

What worked locally /Case study of impact

Network Management pooled resources with other authorities to develop a West Yorkshire Permit Scheme. This provided efficiencies, and cost savings (approx. £27k) and further savings are expected.

Risks and Challenges

Proposals for: NGT, RGP, HSR and Permit Scheme not approved.
Bus Commission Report on Quality Bus Contracts delay Metro's ability to progress with plans for greater regulation of bus services.

New Actions

- Decision expected from DfT regarding; NGT, RGP and Permit Scheme December 2011.
- Leeds Bus Partnership – Horsforth Roundabout to be the subject of a Public Enquiry in November 2011. Canal Street due for completion February 2012.
- LSSE – Consultation to be undertaken by Spring 2012
- Park & Ride Scheme – Planning application to be submitted by April 2012
- HSR – Decision expected from the Secretary of State (SOS) in December 2011.
- UTMC – Contracts to be awarded in January 2012.

Data Development

- Headline indicator – Sensitivity testing to be undertaken. Further discussions with Metro to determine best way to monitor service.
- LSSE – Metro and Network Rail are to carry out further passenger counts to refresh modelling work that was carried out in 2009.
- Leeds Bus Partnership - Patronage figures for 'treated' corridors agreed with Metro. Data available shortly for internal use only.
- Supporting Indicators - Other indicators we will use to support the headline indicator include: bus patronage, proportion of buses that are late and journey time variability (congestion). The methodology will be developed in conjunction with Metro.

Meeting: Sustainable Economy and Culture Board

Population: All people in Leeds

Outcome: We all benefit from a low carbon economy

Priority: Improve the environment through reduced carbon emissions.

Why and where is this priority: Our way of life in Leeds relies on a temperate climate which is finely balanced and small changes to it can have dramatic impacts on our lives. Climate change will alter this balance, threatening the health of our citizens, damaging our natural environment and disrupting the supply chain that our economy relies on. The council, the health sector, colleges and universities, voluntary organisations and businesses are working together to find ways to speed up carbon reductions through the use of energy efficiency and low carbon technologies, energy management, staff engagement and procurement of low carbon goods.

Overall Progress:
AMBER

Story behind the baseline

This Report Card does not include progress against actions in regards energy efficiency for individual homes as these are reported within the “Improve Housing Conditions and Energy Efficiency” Report Card.

This quarter the focus is on what the public sector has and will be delivering, with other sectors considered in subsequent quarters, and a cross sector summary at the year end.

Leeds City Council (LCC) data is gathered from sources across the council based on the financial year. It includes our own fuel use (gas and electricity in buildings and fleet fuel) together with street lighting, business travel and the taxi service.

Emissions have decreased each year with a reduction of 4.7% between 2008/09 to 2010/11. The reductions achieved were: 7.2% decrease in buildings; 11.8% decrease in business travel; and 13.2% decrease in outsourced fleet. The reduction overachieved against the 2010/11 target despite a very cold 2010/11 winter.

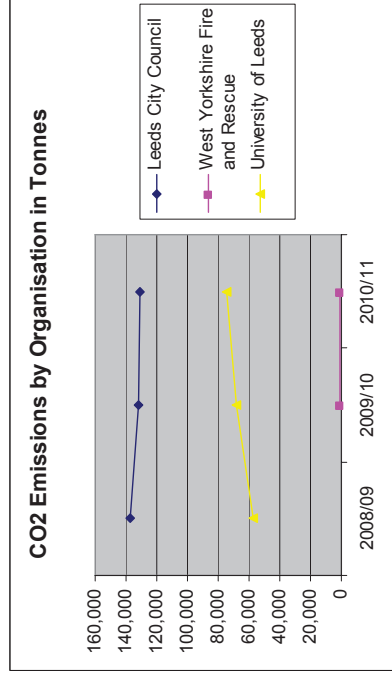
LCC will need to deliver a reduction of 3% annually to meet the longer term commitment of a 40% reduction by 2020/21.

The University of Leeds (UoL) data is taken from the University Estates Management Statistics. The UoL have set a target of 35% reduction in CO2 by 2020/21. The increase in consumption is due to the expansion of the university with a number of new and refurbished buildings. New buildings have been constructed to BREEAM “very good” standards and existing buildings are refurbished to the highest energy standards possible given that 40% of campus buildings are listed and are in a conservation area. [The data for 2010/11 will be ratified October 2011].

West Yorkshire Fire and Rescue Services (WYFRS) data is taken from information gathered from the monitoring of gas and electricity on stations and at Fire Service Headquarters.

From 1st April 2011, it is estimated that NHS emissions will be 2,300 tonnes mostly due to the LIFT (Local Improvement Finance Trust) health centres. LIFT Centres have been built to use less than 35 Gigajoules per 100 m³ much lower than the top 25% of hospitals which were achieving only 53 Gigajoules per m³ in 2004, however, some centres, for example the Reginald Centre, have been built to achieve BREEAM Excellent standard.

Headline Indicator: Reduce carbon emissions



What do key stakeholders think

- Consultation with Enterprise Zone (EZ) investor stakeholders and Members has validated common objectives to move to low carbon solutions.
- Local Enterprise Partnership (LEP) Board has established a Green Economy Panel, reflecting the growing importance of the low carbon economy to the business community in Leeds City Region. There has also been strong interest from council tenants in the solar Photo-Voltaic (PV) project.

<p>What we did</p> <ul style="list-style-type: none"> LEP and government approval for an EZ based on low carbon development and industries. Regional Growth Fund bid for EZ transport and local energy generation; Aire Valley (Leeds Urban Eco-Settlement (LUES)) low carbon energy feasibility studies completed; energy companies' discussions on EZ low carbon energy micro-generation and combined heat and power plant (CHP). Good progress on solar PV systems on at least 1,000 council homes. Streetlighting early switch off report to Exec Board in May. Public sector organisation discussions continued for Civic Quarter CHP. Eastgate CHP plant approved in July 2011. Building for Tomorrow Today, Sustainable Design and Construction Supplementary Planning Document published in Aug 2011. Southbank Planning Framework report submitted to Exec Board. NHS projects e.g. boiler/heating system replacement; estates' rationalisation; business travel analysis; and sustainable procurement in NHS Supply Chain. Bio-methane refuelling station installed in LUES given Green Apple national award; LCC now has 34 alternative technology vehicles. 90 schools on the Leeds Sustainable Schools Framework (LSSF); Energy Audits of 5 schools; and Low Carbon Schools Programme pilot launched. Interim Report produced for LUES Energy Efficiency Behavioural Study. Leeds City College staff discount travel scheme; Park Lane City Car Club site; shared NHS shuttle bus; and car share scheme established. WYFRS smart meters fitted at fire stations; Euro 4 compliant vehicles; bio-diesel use in vehicles; and to replace 1 coal fired boiler with Biomass boiler. First hybrid buses, saving approx. 30% fuel and CO2 compared to diesel; 22 hybrid buses now operating with potential to save 330 tonnes of CO2. Bus shelter LED lamps have reduced power consumption by average 66%. Travel to School Survey 2011 showed increase of over 1,000 pupils walking. <p>What worked locally /Case study of impact</p> <ul style="list-style-type: none"> Private sector led bid for the Green Investment Bank to be located in Leeds submitted, with strong support right across the City Region. 8.25% energy saving at Weetwood School via 'no cost/low cost' measures i.e. children monitoring lights/computers in classrooms; boilers adjusted; and software installed to turn computers off overnight, weekends and holidays. 	<p>New Actions</p> <ul style="list-style-type: none"> Refreshed Leeds Climate Change Strategy 2012-2015 due for publication early 2012. Procurement of a contractor to deliver a free private sector cavity and loft insulation scheme due for completion in November. Further consultation requested by Exec Board regarding streetlighting early switch off for the specific proposed sites Viability Assessment for Civic Quarter CHP and seek formal support from organisations to take the scheme forward, if viable. General Practitioner Consortia development of sustainable work programmes for procurement and commissioning; and environmental impact assessments and reductions in CO₂. Continued discussions with third parties to encourage utilisation of bio-methane re-fuelling station. UoL Green Team to encourage sustainability at an individual level. Work started with various third parties to progress provision of electric vehicle recharging infrastructure; work with UoL to benchmark existing fleet technologies' performance; and review of transport requirements to be conducted. LSSF plans to make framework available to all schools across Yorkshire and the Humber region; and incorporate Thermo, Leeds energy superhero, into the developing Low Carbon Programme. LUES Energy Efficiency Behavioural Change Study further monitoring and data collation to take place. WYFRS purchase and build of new appliances using co-polymer toughened plastic; and fire station refurbishments and initiatives. Development of LCC Bike to Work Scheme for 2012; 10 more "Scoot to School" schools; and 6 roadshows in secondary schools to promote sustainable travel. <p>Data Development</p> <ul style="list-style-type: none"> Schools' performance data on energy, water use and waste needs to be produced to establish a baseline position. 	<p>Risks and Challenges</p> <ul style="list-style-type: none"> As the economy recovers, the recent decrease in carbon emissions is likely to be reversed. Sustainability is perceived as a long term investment making it susceptible to being sidelined in the face of financial pressures. If RGF bid is not successful, it could jeopardise the timely implementation of EZ combined heat and power plant and/or other local energy provision.
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Meeting: Sustainable Economy and Culture Board

Population: All people in Leeds

Outcome: Leeds is a place where people want to live, work and visit

Priority: Raise the profile of Leeds nationally and internationally.

Why and where is this a priority Raising the profile of Leeds will attract new investment and skilled workers into the city. This supports Leeds' existing businesses and workforces to grow which is fundamental to the city's prosperity.

Overall Progress: Amber

Story behind the baseline

Since 2006 Leeds has steadily increased in the rankings until 2011 where it fell back to its 2008 ranking of 28th.¹

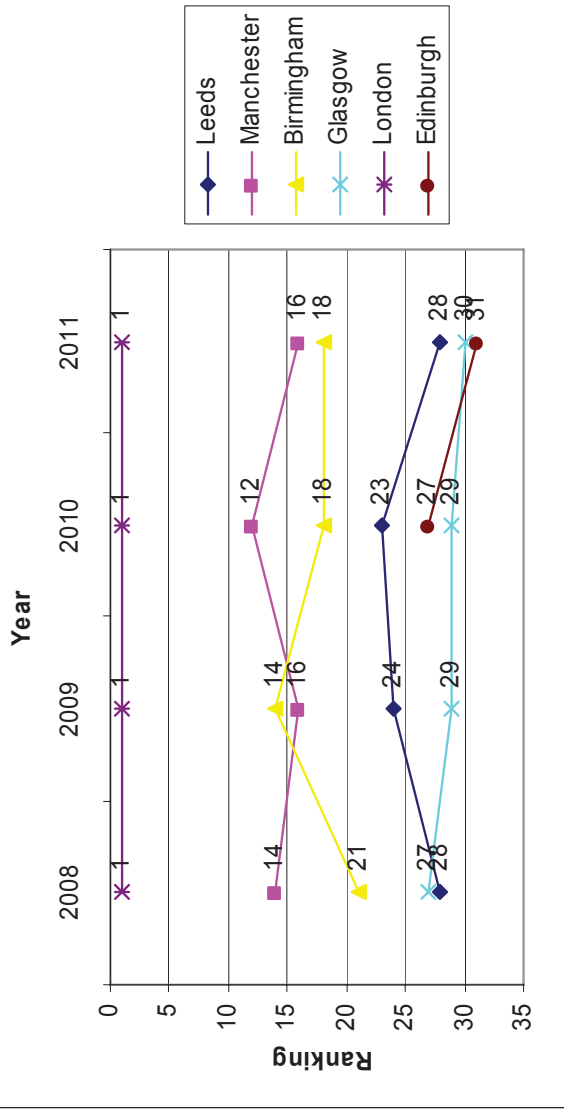
With the exception of London and Birmingham, which have stayed the same, all the other UK cities have lost places in the study: Leeds by 5 places, Manchester and Edinburgh by 4 places and Glasgow by 1 place.

Leeds remains above Glasgow and Edinburgh. Leeds has improved its ranking in 3 areas from 2010: Cost of staff (up one place); availability of office space (up three places); and quality of telecommunications, although it has lost its 2010 top spot for value for money for office space (moving down 3 places) and moved down 2 places in terms of qualified staff.

The hosting of the Chinese 2012 Olympics training camp, the Russian Olympics diving team and the opening of the Arena and Trinity Leeds developments in 2013 will provide real opportunities to raise the profile of the city.

Headline Indicator: Improve our position in the European survey of best cities in which to do business.

Improve our position in the European survey of best cities in which to do business



¹ Cushman and Wakefield European Cities Monitor 2011

<p>What do key stakeholders think</p> <p>The recent 'Impact of City Centre Public Realm Improvements' ad-hoc survey of businesses and city centre users determined how they felt the Councils public realm refurbishments had impacted on business trade and the physical environment. The majority of respondents felt that the city centre's retail core has substantially benefited in terms of uplift in quality, increase in trade and general enjoyment of being in the city centre. Anecdotally, businesses still feel Leeds doesn't undertake sufficient marketing and promotion of the city.</p>	<p>What we did</p> <p><u>Kirkgate Market</u></p> <ul style="list-style-type: none"> The market won best shopping centre under the "independent" category at Leeds Retail Awards 2011 on 2nd October 2011 <p><u>Partnership Events & Festivals Programme</u></p> <ul style="list-style-type: none"> Leeds Loves Food (LLF) event successfully delivered during the Summer. The event attracted £481,000 in Advertising Value Equivalent (AVE) media coverage and there was an overall net increase in footfall of 4%. Successfully attracted China's 2012 Olympics team to base its training camp in the city. <p><u>Marketing Leeds</u></p> <ul style="list-style-type: none"> Marketing Leeds appointed ASDA chief executive Andy Clarke as new chair of the board in September 2011 <p><u>Leeds City Region (LCR)</u></p> <ul style="list-style-type: none"> LCR bid to host the governments £3bn Green Investment Bank was launched at a high profile event at Broadgate, Leeds on September 8th 2011 and presented to MP's at Westminster on September 13th 2011. <p><u>Rugby World Cup 2013</u></p> <ul style="list-style-type: none"> Bid submitted to be a host city in July 2011. 	<p><u>New Actions</u></p> <p><u>City Centre Extended Opening Hours</u></p> <ul style="list-style-type: none"> Meet with Leeds' 6 key retailers to launch extended trading hours with support from the Leeds Retail Association (LRA) <p><u>Partnership Events & Festivals Programme</u></p> <ul style="list-style-type: none"> Deliver Leeds Loves Shopping (LLS) event in October 2011 and Festive Leeds event in December 2011 Deliver the 'business of the economy' event in October 2011 Deliver the 'business of manufacturing' event in November 2011 <p><u>Marketing Leeds</u></p> <ul style="list-style-type: none"> Appoint new chief executive and complete merger with Council business and tourism services. <p><u>Legible Leeds</u></p> <ul style="list-style-type: none"> Complete installation of sign-posting maps in the city centre by winter 2011 <p><u>Data Development</u></p> <p>N/A</p>
	<p><u>What worked locally /Case study of impact</u></p> <p>Marketing Leeds and the Council worked effectively with new event partners Johnstone Press (Owners of Yorkshire Post & Yorkshire Evening Post) to increase sponsorship, and attract several stallholders to the Millennium square showground to form the Yorkshire Food and Drinks show.</p>	<p><u>Risks and Challenges</u></p> <p><u>Marketing Leeds</u></p> <p>Effective integration of staff & activities of Marketing Leeds, Financial Leeds, Locate in Leeds, Visit Leeds, Leeds Visitor Centre and Conference Leeds</p> <p><u>City Centre Events & Festivals Programme</u></p> <p>Ensuring maximum benefits from major events are gained</p>

2011/12 City Development Directorate Scorecard

Reporting Period :

Quarter 2 20011/12

Directorate Priorities	Progress Summary	Overall Progress	Supporting Measures	Q1	Q2	Q3	Q4
Create the environment for effective partnership working	The first meeting of the SEC Board was held on 10th Oct 2011. In attendance were representatives from industry, the third sector, partner organisations and Members. SEC Board is the only CPP Board with a private sector chair. Martin Farrington delivered a scene setting presentation highlighting the Board's four year priorities. Other agenda items included the Economic Growth Strategy. Board members were requested to identify their top three priorities by 21st October 2011.	Green	None applicable				
Deliver the Sustainable Economy and Culture Board City Priority Plan	At this stage, progress across the SEC CPP is quite mixed (3 rated amber and 4 rated green), however this is at the end of quarter two, in the first year of a four year plan. At this stage, the key challenge to delivery is financial in terms of local resources and the wider economy.	Amber	None applicable				
Deliver a new Asset Management Strategy and reduce carbon emissions and water usage	Despite the Asset Management Strategy not having yet been finalised, progress has been steady on the Asset Rationalisation Programme and efficient service utilisation of Council property. The overall Carbon and Water Management Plan has delivered well within the confines of the currently available resources.	Amber	Reduce running costs of our buildings*	£9,339,455	£26,723,282		
			Reduce our energy and water bills*	£1,458,100	£4,102,125		
			Reduce our carbon emissions*	14.0%	10.77% provisional		

Market and promote the city	Leeds has retained a position in the top 30 best cities in Europe in which to locate a business although, it has fallen from 23rd to 28th, a trend seen across other UK cities. The supporting measure is projecting a year end result 21% lower than targeted, demonstrating subdued investor confidence. However, work is progressing on establishing Leeds' new marketing organisation which will deliver a consolidated, more coordinated city offer to attract a higher volume of prospective enquirers.	Amber	Number of enquiries received from businesses seeking to locate in Leeds*	325	708			
Produce a new Local Development Framework that identifies targets for new housing and supports their delivery	There has been substantial progress on the Local Development Framework, which will lead to completion of the Draft Core Strategy in December 2011. Release of Phase 2 and 3 sites and review of the affordability criteria has also resulted in extra housing applications being submitted. However, the processing of major planning applications has not met the target this quarter, mainly because of developers' reluctance to sign S106 agreements due to the financial implications arising from them. The Planning Service is continuing to work closely with developers including establishing early dialogue and confirming S106 expectations and timescales.	Amber	Increase percentage of major and minor planning applications that are completed on time	Majors*	60.53%	56.76%		
				Minors*	78.95%	78.27%		
Improve the quality of Leeds' parks	Parks and Countryside have developed an investment plan for parks and green space that seeks to deliver improvement to provision (particularly in fixed play and playing pitches) and meet the Parks and Green Space Strategy target of having all community parks to Green Flag standard by 2020.	Green	Increase percentage of parks and countryside sites assessed internally that meet the Green Flag criteria	Annually Reported at Q4				
Develop the council's cultural events and facilities including changes to sport centres and Libraries	In line with the Vision for Leisure Centres endorsed by Sport England, Leeds Sports rationalisation programme is ongoing and Community Asset Transfer negotiations taking place. Phase one of the development of the Library and Information Service has been completed through the closure of poorly used libraries and those which were open for only a few hours a day.	Green	Maintain number of visits to leisure centres*	1063070	2062059			
			Maintain the level of use of libraries (including for example book lending and e-lending)*	721,109	1,529,276			
Provide, manage and maintain a safe and efficient transport network for the city	Work on funded safety schemes and planned maintenance is progressing well, with Highways & Transportation staff working hard to reduce costs and obtain efficiencies at every opportunity. However, the uncertainty over funding of major schemes including; New Generation Transport and the Leeds Inner Ring Road continues to be a cause for concern, and the lack of certainty over Leeds Capital Funding continues to hinder our ability to plan works for the future.	Green	Reduce percentage of non-main roads where maintenance may be needed	Annually Reported at Q4				
			Reduce number of people killed or seriously injured on the roads (Based on a 5 year rolling average)*	74	157			
Deliver major projects and make sure these help to deliver the city's priorities; – Arena; Eastgate/Harewood; Trinity; City Park & South Bank; New Generation Transport; Flood Alleviation Scheme; Aire Valley; South Leeds; Leeds /Bradford corridor/Kirkgate Market	Major projects are progressing well. Both Leeds Arena and Trinity Leeds projects have started work onsite and are on-track to complete in spring 2013. The Eastgate scheme is progressing well with developers obtaining revised planning consent in Sept 2011. Executive board formally adopted the South Bank planning statement on 12th October and Tower Works phase 1 was successfully delivered as part of the Holbeck Urban Village (HUV) project.	Green	Increase the number of new jobs*	Annually Reported at Q4				

Self Assessment
No performance related issues

2011/12 Environment & Neighbourhoods Directorate Scorecard

Reporting Period :

Quarter 2 20011/12

Directorate Priorities	Progress Summary	Overall Progress	Supporting Measures	Q1	Q2	Q3	Q4
Support people to improve skills and move into jobs	The apprenticeships employer engagement rate in Leeds has continued to increase in the last 12 months and a wide range of promotional work is being undertaken by partners across the city. This should result in further improvement to achieve the target of 7.2% by April 2012 (from a baseline of 6.1% at April 2011).	Green	Increase the number of employers offering apprenticeships	NA	NA		
Increase number of new affordable homes built	Based on completions for Q1 (133) and Q2 (227) the city remains on track to achieve/exceed the indicative target (500)	Green	Number of new affordable homes	125	227 (YTD 352)		
Increase number of houses with improved energy efficiency (both public and privately owned housing)	Home Insulation scheme on track to insulate 2000 homes by March 2012. Solar PV scheme - 2900 properties confirmed as suitable to for PV systems although issues around marketing due to Distribution Network Operator restrictions. Discussions with Leeds City Region and Kirklees about forming a partnership arrangement for a Green Deal partnership is making good progress.	Amber	Number of houses enhanced with energy efficiency measures (public and private)	0	0		

Self Assessment
No performance related issues

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Report of **Director of City Development**

Report to **Scrutiny Board (Sustainable Economy and Culture)**

Date: **26 January 2012**

Subject: **TRANSPORT PLANNING – SESSION 1**

Are specific electoral Wards affected? If relevant, name(s) of Ward(s): Otley and Yeadon	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Are there implications for equality and diversity and cohesion and integration?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Is the decision eligible for Call-In?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Does the report contain confidential or exempt information? If relevant, Access to Information Procedure Rule number: Appendix number:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

Summary of main issues

1. At their 1 December 2011 meeting the Board agreed Terms of Reference for an “inquiry into the impact of existing major sources of travel movements within the City, and the plans being made to address the impact of known future developments on the City’s transport infrastructure”.
2. This report provides evidence to the first session of the inquiry covering recent Government decisions about major transport scheme funding; the current transport challenges facing the city; the forecasting, planning and delivery of transport projects; and overview of links to deprivation and the economy.
3. Key challenges for transport provision are described in terms of ensuring adequate investment; managing demand for travel from a widening and potentially growing commuter catchment; supporting the development of bus network; the major opportunity that a high speed rail network will bring; and ensuring good connectivity and mobility remains possible in local communities.

Recommendations

4. Members are requested to note and comment on this report.

1 Purpose of this report

- 1.1 This report provides information to the first session of the Board's inquiry into transport challenges and issues in the city as set out in the terms of reference agreed at their 1st December 2011 meeting.

2 Background information

- 2.1 A new Local Transport Plan 2011-26 was adopted by West Yorkshire Integrated Transport Authority in April 2011 and forms the statutory transport plan for West Yorkshire. A separate Local Implementation Plan for Leeds is being prepared to support the LTP which covers programmes for the period 2011-14 and sets out the basis for longer term transport ambitions in the city within an overall framework for transport planning in West Yorkshire and the City Region.

- 2.2 At its meeting on 1st December last this Scrutiny Board agreed a programme of inquiry into transport planning issues. This report covers issues identified for the first session of inquiry, covering:

- Current transport challenges for the city.
- Government responses on the three Leeds major scheme decisions awaiting a Secretary of State's decision.
- Forecasting, planning and delivery – the integrated approach to identify demand, generate capacity and keep transport flowing.
- The role of good transport availability for tackling deprivation.
- Transport as a catalyst for the growth of employment and inward investment.

- 2.3 This report sets the scene for the further planned sessions of the inquiry.

3 Main issues

Major Schemes Update

- 3.1 Three major schemes in Leeds have been included in the DfT Development Pool for the current Comprehensive Spending Review period, for which Best and Final Funding Bids were submitted last September. Decisions on these schemes were announced late last year as follows.

- Leeds Rail Growth Package. A DfT contribution of £10.2 million to this £16.9 million scheme which is for new rail stations at Kirkstall Forge and Apperley Bridge was announced in the recent Autumn Statement. The scheme supports the regeneration of the vacant Kirkstall Forge site for which the developers have made a major financial contribution. The planned implementation programme is for a start of construction in July 2013 for opening by the end of 2014.

- Leeds New Generation Transport (trolleybus scheme). The decision on this scheme was deferred so that further analysis can be done on the scheme appraisal. Ministers have said that the scheme has a “good strategic fit” and a deadline for submitting the additional information has been set for the 31 March, after which it is expected that a final decision will be made by the end of May. Metro with the City Council’s support have previously commissioned the necessary additional work and are working closely with Department for Transport officials to ensure that it meets with their specific requirements. A positive decision on the bid made by Metro would enable the project to remobilise immediately to commence the statutory procedures needed to construct the scheme through the Transport and Works Act for completion by the year 2019/20.
- Leeds Inner Ring Road Major Maintenance Scheme. Programme Entry has been granted for this £25 million major maintenance scheme. The proposed scheme is for structural repairs and central wall strengthening for the Woodhouse Tunnel, replacement of edge beams and full re-opening of Lovell Park Road Bridge and strengthening of bridge piers on New York Road flyover. The final DfT contribution to the scheme is subject to the successful conclusion of various funding agreements between the Council, the University of Leeds, the Department of Health and the Leeds Teaching Hospitals Trust in relation to works on Woodhouse Tunnel. The overall programme is for three years, with the works on Woodhouse Tunnel not due to commence until 2013. In the meantime contract preparations have commenced for tendering the works for Lovell Park Road Bridge which it is planned to undertake during the coming summer period.

3.2 In addition, it was announced that funding would be made available for the electrification of the Leeds to Manchester Trans-Pennine route with it being subsequently confirmed that the scheme would extend to York. Final details of the scheme delivery timetable are awaited. Completion of this scheme and other previously approved works will thus provide a continuous electric route across the Pennines from Liverpool to Leeds, York and via the existing electrified East Coast Main Line to Newcastle and Edinburgh. It has also been announced that Network Rail are to conduct a feasibility study into electrification of the Leeds to Hull route.

3.3 At the time of writing a ministerial announcement is anticipated on the Government’s future plans for the development of a high speed rail network. This will respond to the national consultation on high speed rail conducted last year. It can be expected to confirm the Government’s position and to cover the detailed proposals for a link from London to Birmingham and the Government’s intentions for developing onward links to the North, in particular the so called “Y” network linking to Leeds and Manchester and further connectivity into classic networks serving Northern England and Scotland.

Transport challenges for Leeds

3.4 There are a number of major transport challenges facing transport in the city. These are underpinned by some key transport facts.

- Leeds accounts for 40% of all road travel in West Yorkshire

- 45% of jobs are within the city centre or the adjacent “rim” area.
- Car mode share of travel to the city centre in the morning peak is 45%
- Rail accounts for a further 25% of commuting to the city centre – 15,000 people in 2008
- Nearly one third of jobs in the District are filled by people commuting from outside.
- 70% of car commuters to the city centre travel from beyond the outer ring road.
- 80% of all car commuting is to areas outside the city centre.
- Around 25% of people work in the Ward where they live making local mobility an important consideration.
- Overall District road casualty figures are at an all time low number.

3.5 The greatest challenges are considered to relate to:

- The leverage of new investment funds, of which the recent major decisions detailed above are important, but within an overall picture of proportionately lower levels of investment in transport in the regions.
- Immediate pressures to secure approval for the Leeds NGT scheme, as detailed above.
- Securing a stable, reliable bus network and services which allows growth in use to address continuing concerns about the quality of the bus network and declining patronage. This is being address by the Integrated Transport Authority’s work on bus quality issues and has not been identified as a specific topic for this inquiry. Clearly reaching a satisfactory and durable long term basis for the delivery of bus services is a critical element in achieving a more sustainable transport system.
- Long term development of plans for the transport system to meet the needs of a growing city population over the planning horizon of the Local Development Framework Core Strategy. These are yet to be fully defined and will need to reflect the final proposals for land use.
- The development of a strategy for the City Centre which reflects the city’s ambitions to be the Best City in the UK. The issues here being particularly: future traffic management strategy, especially the roles of the Loop Road and Inner Ring Road; supporting regeneration in the South Bank and new development generally; connectivity and interchange at the rail station; and supporting good quality urban realm and public spaces in the city, for example in City Square. These are matters which will be covered in greater depth in a subsequent session of this inquiry.

- Preparing for high speed rail. The Secretary of State for Transport announced on the 11th January the Government's intention to proceed with the development of a high speed rail network, starting with phase 1 linking a rebuilt London Euston station with Birmingham for which the detailed route has been confirmed. The second phase would provide a "Y" shaped network connecting Birmingham with Leeds and Manchester, with anticipated completion by 2033. In the immediate future the timetable for phase 2 is to commence engagement on the preferred route in Autumn 2012 followed by formal consultation in early 2014, leading to the announcement on the phase preferred route in late 2014. The further development of phase 2 would then be subject to Parliamentary approval.
- The development and integration of park and ride services in the city, in particular the role of bus based park and ride. Issues of site allocations, business case and the financial case remain critical in this regard.
- Continuing to support safe and sustainable local journeys and mobility for all in local communities where the majority of trips will continue to be made.
- Developing approaches and strategy for growing the volume and choice of low carbon travel modes.

3.6 In terms of funding and delivery, work is being undertaken to develop the basis for a West Yorkshire transport investment fund to tackle key areas of investment in the sub-region's transport infrastructure. This remains a work in progress, with the detailed analysis still to be concluded. The intent is to ensure that transport investment is targeted at those issues, locations and corridors where it can have the greatest beneficial impact on the economy and employment in West Yorkshire. At the same time the Department for Transport are expected to consult later this year on proposals for the greater devolution of major transport scheme funding. The greater devolution of transport funding to the local level is something which the Core Cities Group of major cities has strongly supported in terms of bringing freedom for local areas to plan, develop and deliver their transport systems.

3.7 The transport fund workstreams are updating previous assumptions about the links between transport and employment bringing these up-to-date with current economic forecasts and assumptions. Although out-of-date, as an illustration, a previous scenario tested before the recession and economic uncertainties indicated that an investment package of c£140m in transport access to the city centre could support an increase in jobs of 3.5%; a c9% reduction in carbon emissions; support a 10% reduction in city centre traffic levels; and increase peak bus journeys to the city centre by up to 50%.

Forecasting, planning and delivery

3.8 At present the principal source of funding for major transport interventions is the government, and for that reason scheme appraisal and justification has to be carried out according to guidelines provided by the Department for Transport (DfT). The threshold for major scheme funding is £5M. Schemes costing less than this are funded through the Local Transport Plan block funding which is managed by Metro. Notwithstanding potential moves towards devolving funding, appraisal will remain

important in terms of demonstrating the effectiveness and value for money of proposals at both the central and local levels.

- 3.9 Major schemes are mainly developed to address existing problems with the transport network, although in some circumstances they are justified to facilitate new development. A good example of this is the East Leeds Link Road scheme, which has opened up access to the Aire Valley development area from the M1. Schemes need to meet both local and national objectives. Local objectives are provided in the Local Transport Plan, and these are usually consistent with national objectives.
- 3.10 In the past, road schemes were justified on the basis of predict and provide. This meant that schemes were planned and developed purely on the basis of long term road traffic forecasts. However, in the past two decades the predict and provide approach has been superseded in favour of a more integrated management based process that looks to deliver wider transport strategy goals, primarily because it was realised that it was not feasible to infinitely expand the road network to meet unrestrained demand, especially in cities. On that basis, within main urban areas such as Leeds, highway schemes in particular are not designed to accommodate traffic demand in some future year, perhaps 15 years after opening. Instead they are designed on the basis of forecast opening traffic levels, with potentially some allowance for growth. At the same time appraisals processes have also sought to level the playing field in terms of public transport schemes and to take greater account of indirect issues such as environmental impacts.
- 3.11 Forecasting is an inherently imprecise process as it relies on the use of historic present data to predict the future. Although computerised transport models have been created that are much more sophisticated than those used in the past, it is still difficult to develop models that accurately represent current conditions across the whole of complex transport networks, let alone forecast what might happen several decades into the future. For that reason it is considered more robust to design schemes on the basis of opening year conditions.
- 3.12 DfT requirements for transport appraisal require a scheme to be evaluated over a 60 year period after opening. Usually this means forecasting the situation for the first 30 years, and then assuming constant benefits for the remaining 30 years. Nevertheless, it still remains a significant challenge to forecast conditions for the first 30 years.
- 3.13 DfT guidance requires scheme promoters to use a standard set of forecasts for changes in land use supported by local information on any major developments that are considered very likely to occur. In practice this usually rules out most developments that aren't actually under construction or have progressed a long way through the planning process. The DfT forecasts (usually referred to as Tempo forecasts) provide information on anticipated future population and employment changes by local authority area. This means that all major schemes are appraised on a consistent basis.
- 3.14 In Leeds we use this information to forecast future conditions using the Leeds Transport Model (LTM). This was developed as part of the Transport for Leeds research project, and has been created from major surveys undertaken in 2008/9. The LTM can model both highway schemes and public transport and has been used

for both the recent NGT and Leeds Inner Ring Road Maintenance scheme Best and Final Funding Bids to DfT. Prior to the development of the LTM we used older highway models and these were used for appraising the East Leeds Link Road and IRR Stage 7 schemes. Previously there was no comprehensive model for public transport and schemes were developed and appraised on the basis of bespoke modelling specifically developed for the schemes.

- 3.15 The LTM is a very complex model and isn't suitable for all forecasting. Although extensive in its scope and detail it does not have direct interaction with land use decisions and provides only transport output information. As such a simpler model, called the Dynamic Model (UDM) is being used to inform the identification and prioritisation of strategic transport priorities for the West Yorkshire area wide transport system. This model has functions within it that allow the interactions between transport and land use to be synthesised. It is therefore able to reflect the impact of transport infrastructure on the local economy, and can forecast changes in population and employment resulting from changes in transport provision. The model has a far simpler structure than the LTM and is therefore quicker and easier to use, but it is only suitable for the broad analysis of transport strategies, or assessing the impacts of significant schemes. It can assist considerably in the initial "sifting" of options and scenarios paving the way for the more detail appraisal using the full LTM model.
- 3.16 The UDM doesn't use external growth forecasts like Tempro, but instead is provided with information on land availability for employment and residential development. This can be based on allocations in a development plan. The model then forecasts conditions into the future and determines whether development will take place and to what extent, in addition to basic estimates in terms of changes to travel patterns. In this regard whilst it does not meet the exacting requirements of the DfT, it can provide additional economic information that would otherwise be difficult to derive. As such it has been used alongside the LTM for the recent NGT and LIRR submissions to DfT.
- 3.17 The impacts of individual major land development proposals are not normally modelled using the LTM. However, when these involve significant changes to the transport system, such as road closures or major new highways, then the use of the model would be appropriate. Usually, the transport impacts of significant developments are evaluated by their promoters and submitted to the council in the form of Transport Assessments. They would normally take account of the impacts of committed developments, alongside general traffic growth. Tempro forecasts are often used to inform this process.
- 3.18 For the generally smaller scale projects associated with new developments the Transport Assessment will inform the scope and extent of transport measures introduced to support the scheme. This would include both the physical measures required and the travel planning and public transport packages required. The local management of the highway is then integrated where relevant with systems such as that for Urban Traffic Management and Control to ensure the network continues to be managed effectively. In this regard the modelling is at the micro local junction and network level to derive the optimal settings, timing and linkage for traffic signals where observed traffic data is aligned to the forecasts provided either in the transport assessment or from the LTM.

- 3.19 The delivery of major transport interventions is seldom a quick process, and in some cases can extend over several decades in terms of securing final funding decisions. Local experience with East Leeds Link Road, Inner Ring Road stage 7 and Supertram/NGT demonstrates this point very clearly. The more complex or expensive a scheme, the greater the impact on timescale. Sometimes several rounds of appraisal and forecasting have been necessary before a scheme has been accepted and construction has proceeded. Often this will involve different growth forecasts, and assumptions about committed developments and several iterations of policy requirements at both national and local level.
- 3.20 Finally, and in terms of all forecasting whether it uses nationally based information or more locally derived analysis, it is important also at this point to acknowledge that whatever forecasts are utilised sound monitoring of existing conditions is essential to provide a validated and known baseline. Regular programmes are well established for this, however local surveys cannot cover some of the key behavioural patterns for which the 2001 Census is the best source. It is possible to update some elements, albeit not comprehensively, through the extensive travel surveys and traffic counts undertaken in 2008 for the development of the LTM. However, the 2011 Census will provide important new and robust data with which to allow a re-evaluation and confirmation of key travel trends, especially in terms of travel to work patterns. It will be important to see how the length of commuter journeys has changed over the last 10 years (which significantly increased in the previous censuses) and the proportion of in-commuting to the city.

Role of transport availability and tackling deprivation

- 3.21 Social exclusion is a concept used to characterise contemporary forms of social disadvantage, defined as the outcome of multiple deprivations that prevent individuals or groups from participating fully in the economic, social, and political life of the society in which they live. Public transport in particular has a key role to play in tackling social exclusion by providing people with the means to get to the jobs, services and social networks to which everyone should be entitled. The linkages between transport and social inclusion, and the available policy responses, are complex and multifaceted, along side a wider recognition that transport is as much a means for delivering social inclusion as it is a way of getting from A to B.
- 3.22 The Passenger Transport Executive Group, *pteg*, has identified that to successfully connect people to opportunities, public transport should ideally fulfil these four criteria:
- i) It must be available – the public transport network should be within easy reach of where people live and take them to and from the places they want to go at times and frequencies that correspond to patterns of social and working life. People also need to be kept informed of the services that are available.
 - ii) It must be accessible – vehicles, stops and interchanges, and the walking routes to and from these, must be designed in such a way that, as far as possible, everyone is able to use them without unreasonable difficulty.
 - ii) It must be affordable – people should not be ‘priced out’ of using public transport because of high fares and should be able to easily find the right ticket for them.

iv) It must be acceptable – people should feel that public transport is something that is equipped to meet their needs as well as comfortable, safe and convenient.

3.23 The groups that are at risk from exclusion in terms of transport availability have been identified as:

- People without a car – a quarter of all households do not have access to a car and must rely primarily on public transport to get around.
- People on a low income - over half of households on the lowest real income quintile do not have access to a car and more likely to rely on public transport.
- People living on isolated housing estates or in deprived areas where it is not profitable for bus operators to run services.
- People with physical or sensory impairments, health conditions, mental health support needs or learning disabilities who may need extra support or design features to be able to use public transport effectively.
- Older people who may no longer be fit, or feel able, to drive or be able to afford to run a car.
- Children and young people for whom public transport is a prime means of getting around independently, particularly where the journey is not suitable for walking or cycling.
- People living in remote rural areas without access to a car.

3.24 Scrutiny Board members have previously considered the Local Transport Plan. The approach to social exclusion set out in the LTP is through the “Connectivity” theme, which focuses on developing an integrated, reliable and financially sustainable network of transport services that can provide attractive alternatives to the car. This will include focusing on the core network and improving interchange between services. Priorities include developing transport interchange hubs and integrated ticketing using smartcard technology. At the heart of the strategy is a new framework for the procurement and delivery of bus services through either Bus Quality Contracts or a new bus partnership (if it can deliver the desired outcomes). It is envisaged that this will be supported by developing a new model for planning transport services at a community level to address local accessibility issues.

3.25 The LTP strategy supports continued improvements to road safety to reduce casualties further with a particular focus on changing behaviour rather than physical engineering measures. The strategy recognises the importance of coaches for inter-urban journeys and tourism, and will look to support measures to improve facilities including coach parking. Measures to reduce physical, cost and information barriers to travel will be supported. The importance of freight movements to the economy is recognised and a new freight strategy will be developed. Facilities to encourage walking and cycling will be developed further.

3.26 A key element in the planning to improve access to jobs and services has been the introduction of accessibility planning into the local transport planning process and examples will be provided for the Board. These techniques are increasingly being applied within the planning process. In particular this process allows the mapping of

accessibility from a given local area of the city to potential key destination such major employment sites, hospitals, schools and colleges and shopping centres.

- 3.27 Leeds has five wards where more than half their Standard Output Areas (SOAs) in the 10% most deprived SOAs nationally (Burmantofts & Richmond Hill, City and Hunslet, Gipton and Harehills, Killingbeck and Seacroft and Middleton Park). Clustered around the city centre are communities characterised by comparatively high levels of deprivation, low car ownership and high public transport dependency. There are also other smaller more areas located within communities across the city. So for example it is possible to map from Census Output Area information defining deprivation and local neighbourhood profiling to show such levels of accessibility. Such an approach has been and remains especially important for the ongoing development of plans to support future employment initiatives, in the Aire Valley Leeds for example.
- 3.28 As well as the obvious and compelling need for transport to support connectivity to jobs, there are other more local aspects to transport relationship with local deprivation. The impacts of transport on such as road casualties, pollution and severance, tend to disproportionately affect more deprived areas. Addressing how transport can help meet the travel needs of these areas will need to be a key focus of policies to support and shape the City's future growth and connectivity. For example over recent years public transport fares have increased faster than motoring costs, so public transport has become relatively more expensive which has a range of impacts on low income households that are not limited to access to work.
- 3.29 An example of one area of activity where practical assistance has been provided the West Yorkshire Travel for Work Project. Working with Job Centre Plus between 2007 and 2009 over 4200 people were supported with discounted travel tickets of which 23% said that without such help they would not have been able to accept the job offered. At the time of final monitoring 76% of those still working were continuing to use the bus and over 90% found the travel ticket beneficial for other journeys. Through the Local Sustainable Transport Fund further support is being planned of this nature.

Transport as a catalyst for the growth of employment and inward investment.

- 3.30 Transport plays a crucial role in supporting economic development and creating the opportunities for growth. This is well established, originating in modern times with the demonstrated impacts of shipping and canals, then the railways and most recently airways and motorways. All of which have well understood and substantial but differing impacts on improving connectivity and journeys between communities. Business continues to rely on our local, national and international connectivity to offer services and deliver goods, and to drive growth opportunities across different sectors and in different places. The role of transport in economic growth, through the research and development of innovative transport technologies, is also likely to grow as new skills and employment in the sector develops to support an emerging market within the low carbon economy in the future.

3.31 Improvements to transport systems and services can contribute to the regeneration of a local economy and the creation of new jobs or increased employment in the following ways:

- Jobs associated with construction of the scheme;
- Jobs associated with operating and maintaining the scheme
- Jobs arising as a result of the improved travel conditions the scheme delivers; and
- Increased employment by giving residents access to jobs that were previously inaccessible.
- The additional impacts that the agglomeration of business within an area can have for stimulating further employment, such as for example the example the clustering of employment sectors, such as financial services. The former Northern Way identified the importance of this in terms of rebalancing the UK economy.

3.32 It is widely acknowledged that transport issues can hinder growth of employment through congestion and lack of accessibility to the job market. The processes that link transport to economic vitality, and how the investment in transport can be expected to reduce unemployment, either by generating new jobs or by improving access to existing jobs, can be quantified through reductions in travel times and/or congestion at peak times.

3.33 For employers, what matters are the accessibility attributes of a given location, and how a proposed scheme makes that location more or less attractive for the expansion of an existing business or the establishment of a new one. There are several aspects to this where improvements could make an more attractive for business location, and their importance in any instance will vary with economic sector:

- Access to a suitable workforce. This is the number of suitable potential employees living within acceptable travel times and costs;
- Access to or by customers. For retail businesses this will include the number of potential customers living within an acceptable distance. However for many sectors this will be viewed as the time and cost associated with the movement of goods with access to national road and rail networks, airports and seaports being important;
- Access to or by suppliers. Again, the interest will be in the times and costs of moving goods between locations and in or out of sites, possibly including access to the national transport networks, airports and seaports.

3.34 At the local level within Leeds and the city region there are a number of examples of these impacts from past schemes and evidence used based on the aforementioned principles to show that future investment proposals will deliver economic benefits. These will vary between projects and ultimately the benefits may be concealed within the mass of overall economic and employment intelligence, which often makes it harder to attribute the actual employment impacts after the event.

3.35 The electrification of the Airedale and Wharfedale railway lines in the 1990's has had a major impact on commuting patterns and housing demand and values in the North

West of the city region making Leeds and Bradford city centres more accessible to the communities served by the line. This accords with well established impacts of railway electrification. The presence of this modern railway line is one of the key factors in the forthcoming redevelopment of the former Kirkstall Forge site where the previously mentioned new railway station is a crucial attraction to delivering a modern sustainable flagship development at the site, with ultimately up to 2,600 jobs.

- 3.36 East Leeds Link Road is recognised as critical to the release and development of the major employment sites in the Aire Valley Leeds corridor. Without it it would not have been possible to contemplate a Local Enterprise Zone with the potential to bring a £550 economic boost and over 9,500 new jobs by 2025. The economic climate since the road was completed in 2009 has had a big impact on the development of the area making it difficult to pin down job creation impacts so far. However, it is clear that the road has already provided a big boost to business confidence in the area. The commitment to the road has attracted new investment and has supported a positive approach to the area by existing businesses. At the time of bidding for the scheme Economic Impact Assessment indicated the potential to support an estimated 10,000 new jobs.
- 3.37 In terms of new major schemes the improvement to accessibility delivered by the proposed NGT trolleybus network is forecast to mean up to 4,000 new jobs, and £160m per annum benefit for the economy by 2030. This is in addition to the jobs that will be created constructing the trolleybus network, which could be as many as 2,000, and the 250 permanent jobs for people managing and running the system. Most of these jobs will be in the private sector and many of the people to fill these jobs are likely to be found across Leeds, West Yorkshire and the wider City Region.
- 3.38 Although having a rather different purpose, the appraisal for the Leeds Inner Ring Road major maintenance scheme illustrated that by enabling the Woodhouse Tunnel to be kept open the scheme safeguard 24,000 more jobs in the city centre in 2029. This reflected the potential loss of city centre employment if it became necessary to close the inner ring road at this location which would have a very significant and far reaching impact on accessibility both for all forms of road traffic.
- 3.39 These latter two examples also illustrate the outputs that are derived from the Urban Dynamic Model.
- 3.40 Additional illustrative material supporting this report will be provided to Members before the meeting.

4 Corporate Considerations

4.1 Consultation and Engagement

- 4.1.1 The development of the Local Transport Plan was underpinned by a West Yorkshire wide process of engagement with Members, Stakeholders, transport users and residents. No further consultation on transport plans has been undertaken since this was concluded.

4.2 Equality and Diversity / Cohesion and Integration

4.2.1 The development of the Local Transport Plan has been informed by the preparation of an Integrated Sustainability Assessment which has included assessing the impacts of the transport policies and strategy on these issues. In terms of more specific schemes and policy developments further equality and diversity screening and assessment will take place on an individual basis as proposals are developed further.

4.3 Council Policies and City Priorities

4.3.1 The development and progression of transport strategy specifically supports the delivery of the City Priorities to:

- Improve journey times and the reliability of public transport; and
- Improve the environment through reduced carbon emissions.

4.4 Resources and Value for Money

4.4.1 This report does not provide detailed coverage of major expenditure plans. However, all significant schemes are the subject of a proportion appraisal to assess value for money, project benefit and the alignment with key policy before strategic decisions are recommended.

4.5 Legal Implications, Access to Information and Call In

4.5.1 This report has no specific legal or access to information implications.

4.6 Risk Management

4.6.1 This report has no risk management implications. Processes for risk and project management are in place for the delivery of LTP policies and programme and, in line with the Council's own practices and procedures, for Leeds highways and transportation schemes.

5 Conclusions

5.1 This report has provided the initial basis for the Scrutiny Board's further consideration of aspects of transport planning for the city and established the overall basis for forecasting of transport impacts and demand.

6 Recommendations

6.1 Members are requested to note and comment on this paper.

7 Background documents

7.1 The following background documents relate to this report.

- i) "My Journey West Yorkshire", West Yorkshire Local Transport Plan 2011-26, April 2011.
- ii) Draft Leeds Local Implementation Plan and Strategy, January 2011.

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Report of the Head of Scrutiny and Member Development

Report to Scrutiny Board (Sustainable Economy and Culture)

Date: 26th January 2012

Subject: Development Directorate: 2011/12 Budget - Financial Position

Are specific electoral Wards affected? If relevant, name(s) of Ward(s):	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Are there implications for equality and diversity and cohesion and integration?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Is the decision eligible for Call-In?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Does the report contain confidential or exempt information? If relevant, Access to Information Procedure Rule number: Appendix number:	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

1.0 Introduction

- 1.1 At the 22nd of September meeting the Scrutiny Board (Sustainable Economy and Culture) asked to receive regular budget updates on the 2011/12 budget position for the City Development Directorate.
- 1.2 A report is attached which gives the financial position for City Development Directorate at period 7. Also attached is a copy of the report presented to the Executive Board on the 4th of January 2012 which gives a financial overview for period 8.
- 1.3 The initial budget proposals report for 2012/13 is also attached. This was presented to the Executive Board on the 14th of December 2011. The Executive Board were advised that the Local Government Finance Settlement, has been announced following the publication of the report. The Executive Board resolved that the submitted report be agreed as the initial budget proposals and that such proposals be submitted to Scrutiny for consideration.

2.0 Recommendations

- 2.1 a) Members are asked to comment on and note the period 7 and 8 reports for 2011/12.

b) Members are asked to note the initial budget proposals for 2012/13 and submit comments to the Scrutiny Board (Resources and Council Services) for consideration and inclusion in recommendations to Executive Board.

3.0 Background Papers

None used

Directorate City Development

			(Under) / Over Spend for the current period											Previous Month	
Traffic Light	Service	Chief Officer	Staffing £000	Premises £000	Supplies & Services £000	Transport £000	Internal Charges £000	Payments to External Bodies £000	Transfer Payments £000	Capital £000	Total Expenditure £000	Income £000	Total Under /Overspend £000	(Under) / Overspend £000	
R	Planning and Sustainable Development	Chief Planning and Sustainable Development Officer	160	(20)	44	48	10	0	0	0	243	1,149	1,392	1,232	
R	Economic Development	Chief Economic Development Officer	(20)	(3)	(52)	3	16	0	0	0	(57)	183	127	133	
R	Asset Management	Chief Officer Asset Management	77	(93)	80	(35)	(123)	0	0	0	(94)	546	453	495	
G	Highways and Transportation	Chief Officer Highways and Transportation	(9)	186	(350)	(168)	454	0	0	7	119	(448)	(329)	(329)	
G	Libraries, Arts and Heritage	Chief Libraries, Arts and Heritage Officer	(605)	73	153	27	7	0	(48)	0	(393)	249	(144)	(138)	
R	Recreation	Chief Recreation Officer	619	(81)	210	(35)	33	1	(27)	0	720	(304)	416	412	
G	Resources and Strategy	Chief Officer Resources and Strategy	4	(1)	(385)	(7)	17	0	0	0	(373)	0	(372)	(260)	
R	Total		226	62	(301)	(168)	414	1	(75)	7	166	1,376	1,542	1,347	

CITY DEVELOPMENT DIRECTORATE: 2011/12 BUDGET – PERIOD 7 REPORT

1.0 Introduction

This report sets out the financial position for City Development Directorate for Period 7.

2.0 Overall Summary

The Period 7 position for City Development Directorate shows a projected overspend of £1.54m. There is no change from the Period 6 position of £1.54m although there are minor variations between services. The underlying budget issues continue to be planning and building fee income, markets income, advertising income, planning appeal costs and staffing in some service areas. These budget pressures total over £3m. To offset these additional budget pressures all service areas have been asked to review planned spend for the rest of the year with a view to identifying further savings. The projection reflects budget saving plans agreed with services but also allows for further savings to be agreed and also assumes further staff will leave the directorate under the corporate Early Leaver Initiative scheme.

3.0 Explanation of the Projected Overspend

The main reasons for the projected overspend are an overspend on staffing of £0.23m based on current staffing numbers, known leavers and assumed further leavers from the corporate ELI scheme. The projected year end overspend on staffing has continued to reduce as actions have been taken to control staffing. Offsetting this improvement is an increase in the overall shortfall in income to £1.3m. Additional costs being incurred include an additional £0.35m arising from ongoing planning appeal cases.

Good progress has been made in implementing the £13m savings and budget actions included in the 2011/12 budget. These include significant reduction to the staffing budget, rationalisation of Sport and Library buildings, reduction in Highways spend, energy and procurement efficiency savings, reduction to contributions to external organisations and additional income generation proposals

The continuing poor economic conditions are having a significant impact and achieving the Directorate's £94m income target is looking increasingly difficult. It is possible that the situation could improve later in the year and although planning income is showing some signs of increasing in the last few months other income areas are not showing signs of improvement.

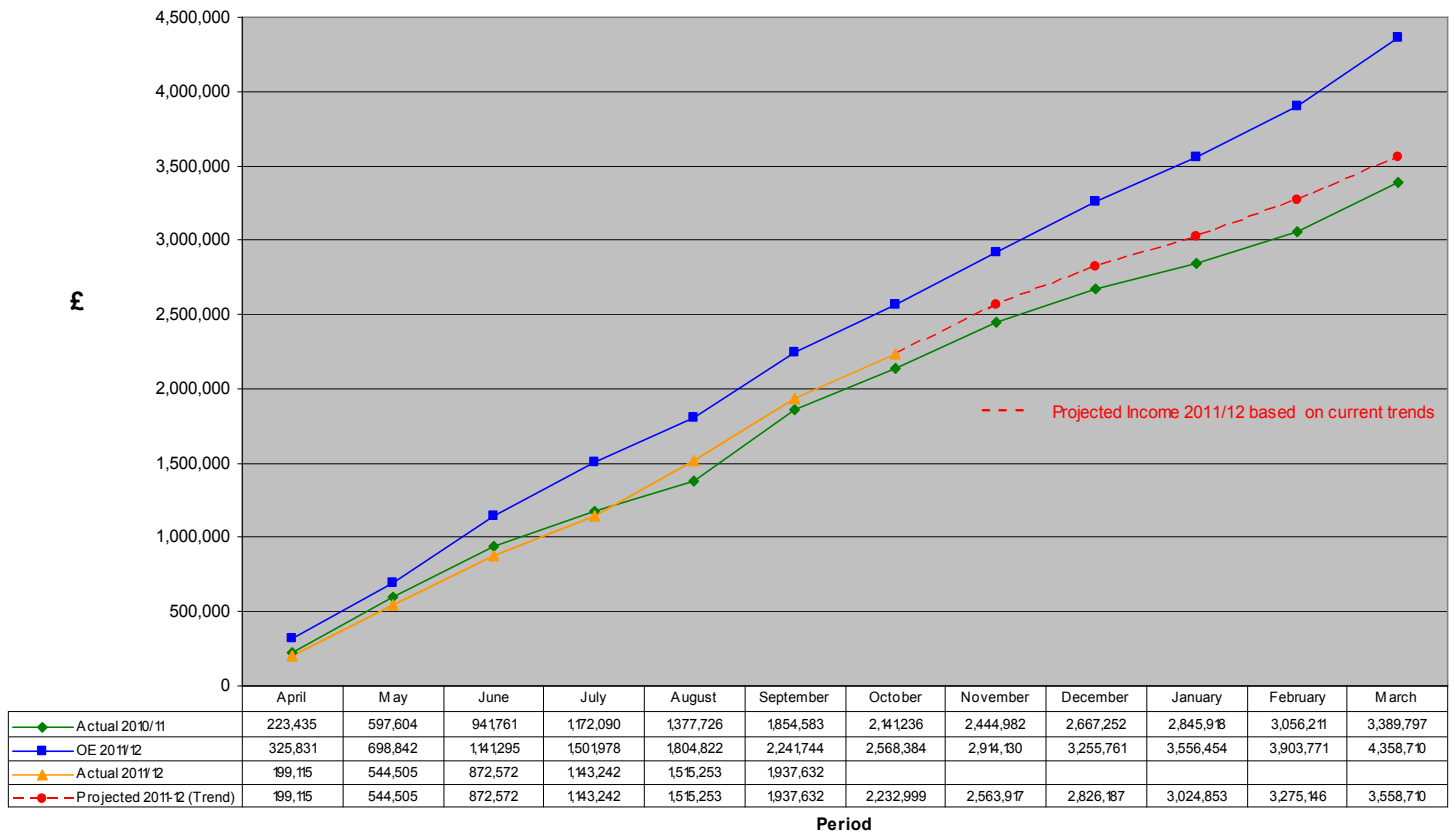
Income

Overall there is a projected income shortfall of £1.3m.

All income targets were reviewed as part of the 2011/12 budget process but in some cases income levels are falling short of the revised targets. The most significant shortfalls are projected to be on Planning and Building fees. At period 7

the combined shortfall is £411k, the projected shortfall for the year is forecast to be just under £0.8m. The graph over the page shows the position to date for planning and building fee income. The budget assumed that there will be an increase in the amount collected in 2011/12 over that in 2010/11 and the last few months have seen an improvement in the amount of planning fees collected although building fee income continues to be at a low level.

Planning and Building Fee Income (Cumulative)



On the whole income in Sport is expected to be in line with budgets and Bodyline income is holding up well.

Other income variations include a shortfall in Markets income of £376k which is a reflection of reduced occupancy levels at Kirkgate Market and a £160k shortfall in Architectural Design Services and Client Services. The 2011/12 budget included additional income of £500k to be raised from new advertising opportunities in the City. A number of new sites have been identified and proposals are being developed with 9 new sites currently being progressed but due to highways, planning and other issues it is currently assumed that the majority of this income will not be received in 2011/12. A shortfall of £250k is projected on income from the Sovereign Street car park but this is expected to be offset in 2011/12 by additional income secured by Asset Management including the Elland Road Option fee payment recently received.

Staffing

Currently it is projected that staffing will overspend the budget by £0.226m, mainly because the saving assumed in the budget on weekend enhancements in Sport are unlikely to be made. The staffing projection assumes that staffing levels will reduce further than the initial budget assumptions but the additional savings will be in the last quarter of 2011/12. Numbers are expected to reduce by an additional 64 FTEs from the current level of 2,355 FTEs as at the end of October 2011. Control measures to actively manage staffing continue to be exercised in the directorate.

Report of the Director of Resources

Report to Executive Board

Date: 4th January 2012

Subject: Financial Health Monitoring 2011/12 - Month 8

Are specific electoral Wards affected? If relevant, name(s) of Ward(s):	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Are there implications for equality and diversity and cohesion and integration?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Is the decision eligible for Call-In?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Does the report contain confidential or exempt information? If relevant, Access to Information Procedure Rule number: Appendix number:	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

Summary of main issues

1. The purpose of this report is to inform members of the financial health of the authority after eight months of the financial year 2011/12 in respect of the revenue budget.
2. The overall projected overspend at month 8 is £2.4m, an improvement of £3.9m from the position at month 7.
3. All Directorates will continue to develop and implement action plans, and the position will be monitored closely.

Recommendations

4. Members are asked to note the projected financial position of the authority after eight months of the financial year 2011/12.

1. Purpose of this report

- 1.1 This report sets out for the Board the Council's projected financial health position after eight months of the financial year.
- 1.2 Budget Monitoring is a continuous process throughout the year, and this report reviews the position of the budget after eight months and comments on the key issues impacting on the overall achievement of the budget for the current year.

2. Background information

- 2.1 The month 7 projected overspend was £6.3m and the main areas of concern were:-
- Non achievement of assumed procurement savings for residential and nursing care packages within Adult Social Care
 - The number of externally provided residential and fostering placements in Children's Services
 - Income shortfalls mainly relating to planning and building regulation fees, car parking, advertising and children's centres

3. Main Issues Month 8

- 3.1 The overall position at month eight has improved by £3.9m from the month 7 position. As members will be aware, the 2011/12 budget assumed £90m of savings, and after eight months of the financial year an overspend of £2.4m is now projected, as detailed in Table 1 below.

Table 1

(Under) / Over Spend for the current period							Previous Month (Under) / Overspend £000	
Directorate	Director	Staffing £000	Other Spend	Total Expenditure £000	Income £000	Total Under /Overspend £000		
Adult Social Care	Sandie Keene	(844)	2,946	2,102	(231)	1,871	2,070	
Children's Services	Nigel Richardson	(321)	4,197	3,876	399	4,275	4,367	
City Development	Martin Farrington	250	(100)	150	1,475	1,625	1,542	
Environment & Neighbourhoods	Neil Evans	1,907	(1,174)	733	839	1,572	962	
Resources	Alan Gay	(200)	309	109	(277)	(168)	4	
Legal Services	Robert Pritchard	737	153	890	(576)	314	156	
Customer Access and Performance	James Rogers	(13)	(11)	(24)	(81)	(105)	(2)	
Total		1,516	6,320	7,836	1,548	9,384	9,100	
Corporate issues								
Debt							-2800	-2800
Section 278 shortfall							1800	
Health service contribution to Adults and Children's social care							-6000	
Total							2,384	6,300

- 3.2 Directorate projections are largely in line with the month 7 position, however within Environmental Services, there has been an increase in the projected overspend of £0.6m, primarily reflecting an increase in the volume of waste tonnes disposed and the delay in the withdrawal of the back up refuse collection service.
- 3.3 The Council receives income from developers to fund highways works which are required for new development schemes. These are known as section 278 agreements and the Council's 2011/12 revenue budget provides for income of £5.2m for such schemes. A review has been undertaken of anticipated receipts in 2011/12 and there is likely to be a £1.8m shortfall which reflects the continuation of the difficult economic climate.
- 3.4 Plans are in place to address the rising cost of looked after children placements in the city. These plans involve relevant partners working together in different ways. In recognition of the significant role the health service plays in this partnership and the improved health outcomes which will arise, NHS Leeds have allocated funds of £2m in order to support the Council in these matters. In a similar way the health service is working closely with Adult social care to ensure that improved outcomes for older people are sustainable and can be achieved through changes in the way in which services work together and transitional funding of £4m has been set aside to assist the process. These contributions are now reflected in the year end projection for 2011/12.
- 3.5 As part of the budget monitoring process, action plans built into budgets have been reviewed and the above projections assume the continuing delivery of action plans both corporately and within directorates.

4. Corporate Considerations

4.1 Consultation and Engagement

- 4.1.1 This is a factual report and is not subject to consultation

4.2 Equality and Diversity / Cohesion and Integration

- 4.2.1 The Council's revenue budget for 2011/12 was subject to Equality Impact Assessments where appropriate and these can be seen in the papers to Council on 23rd February 2011.

4.3 Council Policies and City Priorities

- 4.3.1 The 2011/12 budget targeted resources towards the Council's policies and priorities. This report comments on the financial performance against this budget.

4.4 Resources and Value for Money

- 4.4.1 This is a revenue financial report and as such all financial implications are detailed in the main body of the report.

4.5 Legal Implications, Access to Information and Call In

4.5.1 There are no legal implications arising from this report. In accordance with part 4 (f) of the Council's Constitution (Budget and Policy Framework Procedure Rules) Executive Board shall be entitled to vire across budget headings subject to value limits set out in the Financial Procedure Rules. There are no requests this month.

4.6 Risk Management

4.6.1 The Council has prepared and maintained a financial risk register for a number of years. The register details the risk and consequences, existing controls to mitigate against the risk, the value in monetary terms of the risk, review dates and progress towards managing the risk within existing resources. The register is prepared before the start of each financial year and is monitored on a regular basis.

4.6.2 Based on the month eight projections there are now no high risks.

5. Recommendations

5.1 Members of the Executive Board are asked to note the projected financial position of the authority after eight months of the financial year.

6. Background Documents

6.1 Financial risk register 2011/12

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Report of the Director of Resources

Report to Executive Board

Date: 14th December 2011

Subject: Initial Budget Proposals

Are specific electoral Wards affected? If relevant, name(s) of Ward(s):	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Are there implications for equality and diversity and cohesion and integration?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Is the decision eligible for Call-In?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Does the report contain confidential or exempt information? If relevant, Access to Information Procedure Rule number: Appendix number:	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

Summary of main issues

1. In accordance with the Council's Budget and Policy Framework, this report sets out the Executive's initial budget proposals for 2012/13. These proposals have been developed within an assumed level of government grant based upon the indicative 2012/13 grant settlement as announced in January 2011 as part of the 2011/12 Local Government Finance settlement. At the time of writing, confirmation of the 2012/13 settlement is awaited and further information will be provided to the board when it becomes available. As reported last year, it remains a challenge for the Council to maintain services at their current level in the context of further reductions in government grants and the organisation continues to be subject to an ongoing review in order to help achieve the ambition of being the best City Council in the UK.
2. In addition, the report also provides an early indication of the financial position for 2013/14 and 2014/15 as part of the Council's medium term financial strategy.
3. Recognising the revenue implications of capital spending, the report also provides overall information as to the Council's capital investment proposals for the period 2012/13 to 2014/15.

Recommendation

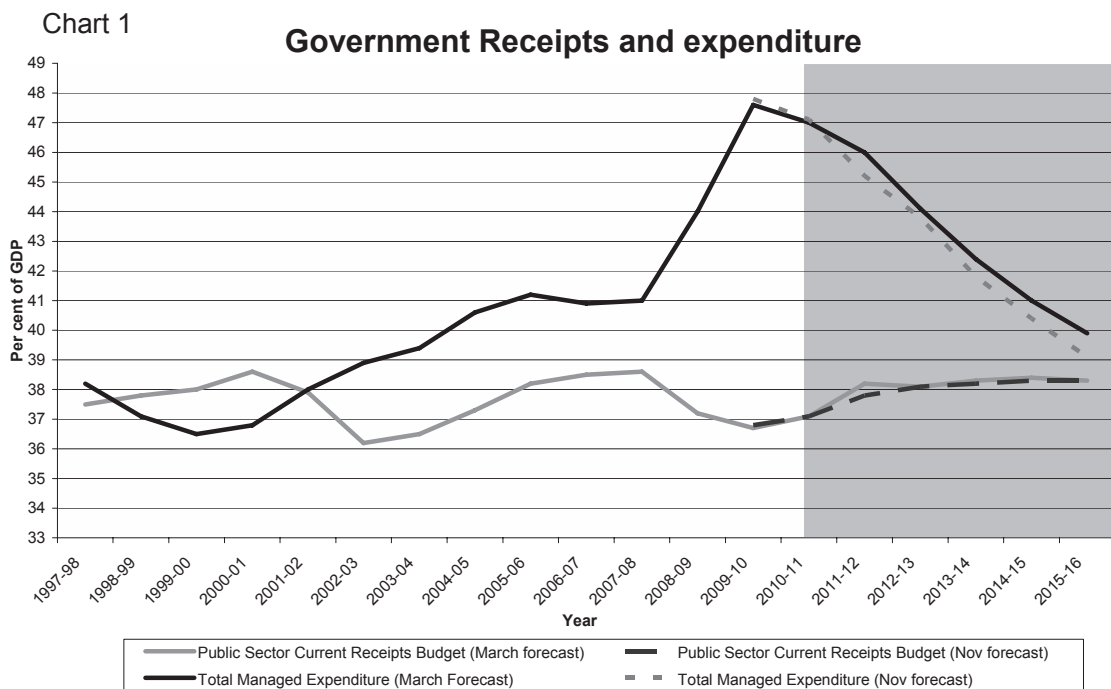
4. The Executive Board are asked to agree this report as the initial budget proposals for 2012/13 and for them to be submitted to Scrutiny and for wider consultation.

1.0 PURPOSE OF THIS REPORT

- 1.1 In accordance with the Council's constitution, the Executive is required to publish initial budget proposals two months prior to adoption by full Council which is scheduled for the 22nd February 2012. The purpose of this report is to publish initial budget proposals for 2012/13, which, together with a forecast of 2013/14 and 2014/15, will form the basis of the Council's new medium term financial strategy.
- 1.2 Subject to the approval of the board, this report will be submitted to Scrutiny for their consideration and review, with the outcome of their deliberations to be reported to the planned meeting of this board on the 10th February 2012. It will also be made available to other stakeholders as part of a wider consultation.
- 1.3 In accordance with the Council's Budget and Policy Framework, decisions as to the Council's budget are reserved to Council. As such, the recommendation at 14.1 is not subject to call in, as the budget is a matter that will ultimately be determined by Council, and this report is in compliance with the Council's constitution as to the publication of initial budget proposals two months prior to adoption.

2.0 NATIONAL CONTEXT

- 2.1 The Council's 2011/12 budget agreed by Council in February 2011 was produced in the face of an unprecedented challenge. The Government's emergency Budget in June 2010 and the Comprehensive Spending Review 2010 set out the Government's deficit reduction plan in order to eliminate the nation's budget deficit.
- 2.2 The following chart shows that, as a result of these plans, public spending is projected to fall from around 47.5% of GDP in 2009/10 to around 40% of GDP by 2016 while tax receipts are projected to rise from 36.5% to around 38.5% of GDP over the same period, addressing the imbalances in the public finances.



- 2.3 The October 2010 Spending Review set out the Government's proposals to reduce public spending by £81bn over the four year period 2011/12 to 2014/15. However, it gave protection to the NHS and schools, which meant that the funding available to other local government services reduced significantly for 2011/12 and continues to do so for the next three years. Planned local government funding by central government falls by 20% in cash terms over the four year period, equivalent to a reduction of 28% taking into account expected inflation, but the reduction is significantly front loaded, as shown in the table 1 below:

Table 1

National Funding	Base	Variation			
	2010/11 £bn	2011/12 £bn	2012/13 £bn	2013/14 £bn	2014/15 £bn
Local Government Funding	28.5	26.1	24.4	24.2	22.9
Real Terms reduction (%)		10.6%	8.3%	2.8%	7.2%

3.0 Local Government Finance Settlement

- 3.1 Although the spending review covers four years, a two year Local Government finance settlement was confirmed on 31st January 2011 and the implications for Leeds City Council are set out in Table 2.

Table 2

	Adjusted 2010/11 £m	2011/12 £m	2012/13 £m
Formula Grant	358.986	315.061	288.042
Cash Reduction		-43.926	-27.019
Variation in Core Grants		-7.512	0.634
Total Cash Reduction		-51.438	-26.385

- 3.2 On a cash to cash basis, the Council's formula grant for 2011/12 increased by £11.617m compared to 2010/11. This meant that the Council's net revenue charge for 2011/12 (which is the sum of Council Tax and Formula Grant) showed an increase from 2010/11. However, this masked the real position as the Council's specific grants showed a significant reduction, and a number of them were also transferred to Formula Grant which resulted in an increase in the Council's net revenue charge. After adjusting for the specific grants transferred, and for new responsibilities, the Council's 2011/12 formula grant represented a reduction of £43.926m or 12.2%.
- 3.3 The grant settlement involved not only a significant reduction in the overall level of government grants to local authorities, but also the reduction in the number of specific grants, and the transfer of some of them into Formula Grant and into new Core Grants including the Dedicated Schools Grant. This resulted in a net reduction of £7.5m in 2011/12 and an increase in 2012/13 of £0.6m. Overall, the settlement

meant that government funding to the Council reduced by £51.4m in 2011/12 with a further reduction of £26.4m in 2012/13.

- 3.4 The Department for Education (DfE) has determined that certain responsibilities transfer from a Local Authority to Academies when an Academy is formed. This is reflected through the payment of a grant to an Academy. The transferred responsibilities include both functions within the Schools Budget funded from the Dedicated Schools Grant, and Local Authority Central Education Functions funded from Local Authority resources. The DfE assumes that the transfer of responsibilities results in a reduction in Local Authority costs, and both the Dedicated Schools Grant funding the Schools Budget, and the Formula Grant funding Central Local Authority Education functions are reduced. For 2011/12 a simplistic calculation was used by the Government to remove grant funding from Local Authorities to reflect the transfer of central education functions to Academies, which for Leeds resulted in Formula Grant being reduced by £1.76m. A further adjustment for Academies is also included in the Council's draft Formula Grant for 2012/13 of £1.39m, a cumulative reduction of £3.15m.
- 3.5 Following a legal challenge from Local Authorities, the DfE has issued a consultation on 'the basis for the decision on the appropriate amount of Academies Funding Transfer for 2011/12 and 2012/13'. The consultation suggests that the original adjustments are understated due to the number of Academies and the increased savings that Local Authorities are therefore making. The consultation proposes that the funding transfer should be reviewed based on a revised profile of Academies. The DfE estimates assume that the Local Authority element of the reduction could be between £360m to £375m in 2011/12 and between £580m up to £680m in 2012/13. If a figure of £680m was removed from Formula Grant in 2012/13 on a simple pro-rata basis, the City Council would lose around £6.5m in 2012/13, rather than the £1.39m included in the 2012/13 settlement.
- 3.6 At the time of writing the outcome of the DfEs consultation is awaited. It should be noted that the determination of the reduction to Formula Grant is made by the DfE and has not been based on an assessment of the actual cost of Academies carrying out the transferred services, and is based on the simplistic assumption that Local Authorities should save pro-rata.
- 3.7 The Council's grant settlement for the final two years of the Spending review, namely 2013/14 and 2014/15 are not known at this stage, and will be subject to Government announcements nearer the time, but based upon the Spending Review, our best estimate is that we will face further grant reductions of:
- £9.9m in 2013/14
 - £25.6m in 2014/15

4.0 DEVELOPING THE COUNCIL'S BUDGET PLANS

- 4.1 It is clear that local government is facing a very different environment to that which it is has operated within in recent times. This is partly due to the Government's priority of eliminating the deficit within the public finances, but also reflects the Government's new policy agenda. At the same time we need to recognise that society's needs and aspirations have continued to increase and change.
- 4.2 How local government as a sector and as individual authorities respond to these new agendas will be key to the future. It is clear that councils cannot deliver any of their

services and objectives alone, and the reality is that the best cities and towns will need to combine the best values of all sectors: the accountability, fairness and public service ethos of local government, the connection with local people of the Third Sector, and the efficiency and dynamism of the private sector.

4.3 Councils will need to change, to become much more enterprising, entrepreneurial and responsive to their local communities, whilst retaining their role as major employers, service providers and democratically-mandated leaders. This new role would demand a new 'social contract' with local people to help make local places more liveable. It will also require businesses to play a more active role as corporate citizens and the third sector to act as a catalyst for connecting with local people.

4.4 It is also crucial that the Council's spending plans need to respond to the priorities of the people of Leeds. Last autumn, Leeds' residents gave their priorities for the Council's budget in the "Spending Challenge". In total there were over 2,000 responses, and the top spending priorities were:

- Tackle the worst anti-social behaviour first
- Encourage people to recycle and throw less away
- Help people stay in their own homes for as long as possible
- Bring services together and make better use of building
- Work to get local jobs for local people

People also gave their own ideas on ways the council can save money, including:

- Council should put on fewer free events and entertainment
- Reduce staffing levels to save money

4.5 These priorities together with the "What if Leeds...." consultation that was undertaken during 2011 in the development of the city's vision, continue to guide the development of the Council's financial plans. The Council has however, taken the opportunity to ask the people of Leeds, whether the priorities they identified last autumn continue to be their main priorities. An article in the autumn edition of "About Leeds" asked residents to confirm that our spending challenge priorities are still the right ones. The results of this survey will be posted in the Members' library as soon as they are available.

4.6 The City of Leeds has an ambition to be not just the biggest in the North and the third largest in the country, but also to be the best city in the UK. If it is to achieve this ambition, Leeds City Council will need to be the best city council in the UK, providing strong civic leadership to galvanise the private, public and third sectors. The Council is also working to embed its new values, which are:

- Working as a team for Leeds
- Being open, honest and trusted
- Working with Communities
- Treating people fairly
- Spending money wisely

4.7 These changes will not happen overnight, but the Council's initial budget proposals need to be seen in the context of the Council responding to the new agendas. The Council's approach to the development of its future financial plans is based around the following actions:

- Resources need to be focused as much as possible on front line services to customers.
- Innovation will be key to the transformation of services.
- We are reviewing services and looking at collaboration opportunities across services in order to eliminate over-provision where this makes business sense.
- Opportunities will be identified and pursued where appropriate, to provide services in collaboration with other local authorities, or other public organisations within the City and if appropriate beyond.
- We expect to reduce our staffing levels by around 2500 by the end of 2015; every effort will be made to achieve this without compulsory redundancies.
- We are reducing our spend on goods and services through better demand management, renegotiating prices with suppliers, centralising some of our ordering arrangements and making system improvements.
- We are reducing the number of buildings we occupy and making more efficient use of office space in the buildings remaining. We are also reducing our energy usage in our buildings.
- We are reviewing our income from fees and charges, and introducing new charges where appropriate.

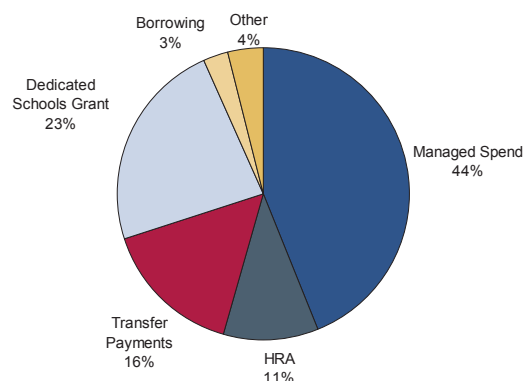
5.0 THE COUNCIL'S BUDGET

5.1 In understanding the financial challenge outlined above, it is useful to reiterate some of the constraints which impact upon the Council's ability to deliver savings. The Council's net revenue budget for 2011/12 was set at £582.2m supported by the use of £2m general fund reserves. However, the Council actually spends over £2bn each year. It is important to appreciate that the Council does not have full freedom to decide how to spend all of this money because much of it is given by central government as "ring-fenced" grants, which reflect past borrowing decisions or has other legal constraints. This means, for example, that certain funds can only be spent on schools, or on benefit payments, or on council housing. These constrained areas account for 56% of the Council's spending, so any savings can only be delivered from the remaining 44%.

Figure 1

Analysis of Revenue Budget 2011/12

	2011/12 £m
Managed Spend	888.1
Housing Revenue Account (HRA)	208.3
Transfer Payments	317.8
Dedicated Schools Grant	468.8
Borrowing	54.0
Other	80.7
Total	2,017.7

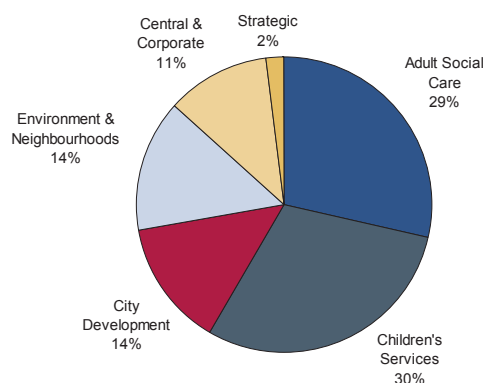


5.2 The managed expenditure from which savings can be made totals £888.1m, and is summarised by service below:

Figure 2

Managed spend by directorate

	2011/12 £m
Adult Social Care	254.2
Children's Services	265.0
City Development	122.9
Environment & Neighbourhoods	126.5
Central & Corporate	101.0
Strategic	18.5
Total	888.1

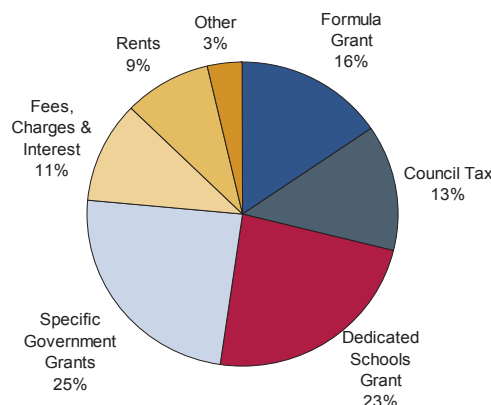


5.3 Around 63% of the Council's funding comes from Government as illustrated below, with just 13p in each £1 coming from local Council Tax payers.

Figure 3

Where the Money Comes From

	2011/12 £m
Formula Grant	315.1
Council Tax	267.1
Dedicated Schools Grant	468.8
Specific Government Grants	490.2
Fees, Charges & Interest	216.8
Rents	189.4
Other	70.3
Total	2,017.7



5.4 The Council collects £267.1m each year in Council Tax; this represents around 99.2% of amounts billed. The band D level of Council Tax (including Police and Fire precepts) in Leeds is currently £1,306.40, and is the 7th lowest amongst the metropolitan authorities and the second lowest amongst the eight Core Cities.

6.0 THE COUNCIL'S 2011/12 BUDGET

6.1 In 2011/12 the Council's grants from government reduced by £51.4m, and with nearly £40m of its own cost pressures, this meant that in total the Council had to identify around £90m of savings. To date progress has been very good and it is expected that the Council's budget for 2011/12 will be achieved by the end of March 2012. At the same time the Council has strengthened its revenue reserves in order to provide more resilience at a time of greater financial risk.

7.0 INITIAL BUDGET PROPOSALS 2012/13

- 7.1 This section provides a strategic overview of the initial budget proposals for 2012/13. Further detailed information is provided in Appendix 1 as to how the proposals relate to individual directorates.
- 7.2 The financial year 2012/13 is the second year of the CSR and once again the Council's funding from government reduces, this time by £26.4m. In addition with inflation running at 5% and growing demands for services in both Children's and Adult Social Care, we have identified cost pressures of £29m. The Council is therefore faced with identifying cost saving measures of £55.4m in 2012/13, as summarised and explained below:

Table 3

	2012/13 £000s
Funding	
Formula Grant reduction	27,000
Core Grants	-600
Sub-Total	26,400
Inflation	3,570
Pressures	
Adults	9,200
Children's	13,850
City Development	1,500
E&N	826
Debt	4,000
Carbon Reduction (GF)	700
Other base pressures/ongoing efficiencies	-4,642
Sub-Total Other Pressures	25,434
Total Pressures incl funding reduction	55,404

- 7.3 The key assumptions behind the pressures of £29m are as follows:

Inflation of £3.5m: After taking account of necessary further reductions in staff numbers, the initial proposals for the 2012/13 budget provide for a 1% growth in staffing budgets; this reflects an expectation that following two years of a pay freeze, there will be a need to provide for an increase in staff pay. The level and timing of such an increase will have to be contained within budget provision and therefore the extent to which this exceeds the amount provided could result in the need for further staff reductions. Savings are also assumed due to the effect on employer's pension contributions as a result of the present review. Despite cost inflation currently running at 5%, no provision will be made for inflation on running cost budgets, other than where there are specific contractual commitments and utilities. This implies further procurement savings will be required. Provision has also been made for the £8 per tonne increase in Landfill Tax from April 2012.

In terms of the level of fees and charges made for Council services, it is recognised that there is a need to carefully balance increases, which considers the level of inflation, and what people can afford. As such there is no general increase proposed, but there are a number of specific proposals where it is felt that the market will bear such an increase. Any proposals for increases in fees and charges are detailed in the

attached Appendix 1 and overall they are forecast to generate additional income of £2.5m.

7.4 **Demand Led Spending** – additional provision is made in the following areas of spend:

- **Adult Social care** – These budget proposals provide for an additional £9.2m to provide funding towards the cost of the continuing impact of an ageing population and the needs of people with learning disabilities. This also reflects the current year pressure on the community care budgets for residential nursing and domiciliary care. Additional provision is also included for the Council's contribution towards the learning disability pooled budget, which as well as reflecting increasing numbers, also reflects the increasing complexity of people's needs. It is recognised that these demographic pressures will continue to grow in the long term, and will present the Council with significant financial challenges.
- **Children's Social care** – Over the last few years, the Council has seen significant increases in the level of demand for children's social care. It is proposed that the Council prioritises improvements in social care services to young people and the safeguarding of vulnerable children in the city. This includes £10.9m which will be used to fund additional external placements and the rise in the cost of fostering care reflecting the trends experienced in the current year. The directorate are developing plans with partners which in the medium and longer term are aimed at halting and indeed reversing the level of demand for high cost social care provision. To support this approach, £2.1m is provided for early intervention and prevention. In addition, £0.9m is provided for the expansion of childcare for vulnerable 2 year olds in accordance with Government policy.

7.5 **Declining Income Levels**

- **City Development** – the current economic climate is impacting on income within the directorate and provision has been made for a reduction in planning and building fees and income from markets reflecting the current trend.
- **Car parking income** – the current year has seen a significant decline in car parking income, which includes the loss of some car parking spaces. Accordingly the budget for 2012/13 will need to be adjusted to reflect this trend and the proposed closure of further car parks during the year to facilitate a number of major developments in the city.

7.6 **Capital Charges** – It is currently estimated that as a minimum capital financing costs will increase by around £4m in 2012/13 in order to deal with existing capital commitments. This still assumes we continue with our strategy of keeping new borrowing on short term to take advantage of low rates and includes a target reduction that will need to be achieved through a combination of:

- A rigorous review of the capital programme beyond the extent of the current review and restricting further capital commitments;
- Funding new commitments through selling assets; and/or,
- Using asset sales to repay debt.

7.7 **Carbon Reduction Commitment** - Under the government's new Carbon Reduction Commitment (CRC) Energy Efficiency Scheme, which is a mandatory

scheme aimed at improving energy efficiency and cutting emissions in large public and private sector organisations, the Council will be required to purchase allowances to cover its CO2 emissions (excluding transport emissions) from 2012. The price of these allowances has been set by the government initially at £12 per tonne and this is expected to cost the Council around £1.3m per annum. This means that any measures which reduce the Council's emissions will have a direct financial benefit in terms of CRC costs avoided. The impact on General Fund services is likely to be around £0.7m with a further £0.6m relating to schools.

7.8 **Other Base Budget Pressures and Savings** – directorates have been required to review their base budget to identify efficiencies over and above those specifically outlined above. These take account of pressures and trends including reductions in running cost budgets, maximising/re-prioritising grants and contributions as well as reviews of contracts and commissioning activity.

The net position in respect of these other base budget pressures and savings is a net saving of £4.6m.

7.9 The proposals for bridging this £55.4m gap are summarised and explained below:

Table 4

	2012/13 £000s
Funding:	
Recurring	
Tax Base growth	-2,000
New Homes Bonus	-5,300
Non Recurring	
Council Tax - Council Tax freeze	-6,740
PFI reserve	-9,900
General reserves	-3,000
Sub-Total	-26,940
Summary Proposals	
Employees	-9,725
Premises	-200
External placements/providers	-1,463
Procurement	-3,130
Transport	-1,080
Income	-7,826
Alternative funding sources	-5,040
Sub-Total	-28,464
Total	-55,404

7.9.1 It is estimated that the increase in the Council tax base will generate additional funding of £2m. This takes account of an exercise that the City Council has commenced to review single person discounts. In addition, we estimate that the New Homes Bonus scheme¹ which commenced in 2011/12 will generate £5.3m in 2012/13.

¹ The Government will match fund the council tax for every new home built for each of the following six years.

7.9.2 This initial budget proposes that the level of the Leeds element of the Council Tax is frozen for the second year. In doing this the Council will be able to take advantage of the Government's 2012/13 Council Tax freeze grant. This grant is worth the equivalent of a 2.5% Council Tax increase, which is £6.7m for Leeds. However, unlike the Government's 2011/12 Council Tax freeze grant which is guaranteed for four years, the 2012/13 grant is for one year only. Therefore, it needs to be recognised that this grant will fall out in 2013/14 and will therefore require further savings to be identified to replace this amount. On the basis of this proposal the Leeds element of the Council Tax for 2012/13 will be as detailed below (the precepts for Police and Fire are matters for the Police and Fire authorities to determine):

Table 5

	2011/12 £	2012/13 £
Band A	748.99	748.99
Band B	873.82	873.82
Band C	998.66	998.66
Band D	1123.49	1123.49
Band E	1373.15	1373.15
Band F	1622.82	1622.82
Band G	1872.48	1872.48
Band H	2246.98	2246.98

7.9.3 In addition, this initial budget proposes that we use a number of reserves to reduce the impact of the reductions upon services:

- In order to mitigate against the loss of government grants, it is proposed to utilise the Schools PFI earmarked reserve which is estimated to be £9.9m at the end of 2011/12. The Council's PFI schemes use sinking funds to equalise payments with PFI grant over the life of the schemes. Depending on the nature of the scheme, where PFI credits exceed costs in the early years of the scheme, a reserve is established to be used in the later years. By using the reserve in 2012/13, the Council will have more time to deal with some of the pressures especially around the short term demand in Children's services, although it will create a budget pressure in 2013/14 of £0.13m and a further £0.13m in 2014/15 which will have to be resourced.
- The Council's reserves at 31st March 2012 are forecast to be £4.6m higher than the original budget assumed. It is therefore proposed that the revenue budget for 2012/13 is supported by a £5m contribution from reserves, an increase of £3m over the level assumed in 2011/12.

Table 6

	2011/12 £m	2012/13 £m
Balance 1st April	29.6	24.0
Less: transfer to ELI reserve	-3.6	
usage in year	-2.0	-5.0
Estimated Balance 31st March	24.0	19.0

7.9.4 The Council will continue to review its level of reserves in the light of its risk based approach to assessing the adequacy of its reserves. Looking beyond 2012/13, an important additional consideration to this assessment is the uncertainty that will be introduced should the Government's current proposals for the retention of business rates be implemented from 2013/14 as currently planned. This is explained further in paragraph 11.4 below.

7.10 However, even taking account of the above additional sources of funding, further savings will need to be made within service budgets. The paragraphs below provide an overview of these initial budget proposals and attached at Appendix 1 are details of each directorate's initial budget proposals. The proposed savings within directorate budgets can be summarised as follows:

7.10.1 **Employees** – in response to the Spending Review 2010, the Council recognised that it would be necessary to significantly reduce its workforce. The Council launched a voluntary retirement and severance scheme in 2010/11 which resulted in a reduction in the workforce of 1,159 ftes at the 31st March 2011. This scheme has continued during 2011/12 and the deadline for expressions of interest has now passed. The current year's budget assumed that the equivalent of around 400 ftes would leave the Council, and whilst precise figures are not yet available, it is anticipated that the reduction by the end of the year will exceed this number, and staffing savings of around £9.7m are included in the 2012/13 budget. The Council's expectation following the Spending Review was that there would be a reduction of around 2,500 ftes over the 4 year period 2011/12 - 2014/15, and to achieve this, further reductions will be required in 2013/14 and 2014/15.

These reductions are expected to be achieved through a combination of:

- continuing the Council's current recruitment freeze
- assuming a normal level of staff turnover with replacements being restricted to essential posts only
- the launch of further Early Leaver Initiative schemes as appropriate

Our approach will mean that staff will leave the authority from across the whole range of services and it will be necessary therefore to manage this very carefully and make arrangements to retrain and redeploy staff where appropriate.

A review of the Council's trade union facilities agreements reflecting the reduction in the Council's workforce is proposed, and in the light of this a £40k saving is included in these proposals.

7.10.2 **Procurement** - During 2011/12 systems have been put in place to ensure that the Council continues to achieve the significant savings built into the 2011/12 budget on a recurring basis. These amount to £25m of savings which are being achieved through:

- Contract renewals and renegotiations;
- Strict adherence to corporate contract arrangements;
- Further contracts put in place where they do not currently exist; and
- Minimising the number of officers with the authority to commit the Council to further spending, including challenging the need to spend at all.

In addition to cash limiting most running cost budgets, which is estimated to save around £10m, the initial budget includes specific proposals to save a further £3.1m from procurement activity including:-

- £0.5m general fund savings on the new grass cutting contract from January 2012
- £0.3m on waste management contracts
- £0.3m on IT contracts
- Within Adults, the achievability of the 2011/12 budgeted savings from reduced placement fee levels has been reviewed. A revised approach based on quality payments is now being progressed and this was outlined in a report to Executive Board in September 2011. Savings of £1m are included for the anticipated impact in 2012/13 of this revised approach.
- £1m forecast savings on external placements within Children's Services through improved commissioning and contracting, including regional collaboration.

7.10.3 The Third Sector and External Providers

It is recognised that the budget for 2011/12 contained significant savings to be made within the Third Sector which in some instances reflected a desire to achieve a 3 year medium term financial plan target of 15% in year one rather than seeking year on year incremental reductions. The savings have been achieved through close working with the sector and, in some instances the adoption of different models of service. The Council values its partnership with the Third Sector and the sector provides many important services which are complementary to the Council's objectives, and these partnerships will continue to be essential into the future. The approach of individual directorates to the third sector will vary to some degree depending upon priorities and available opportunities. In general the budget proposals do not require further efficiencies on the same scale in 2012/13, but there are a number of specific proposals which are detailed within Appendix 1.

However, there are specific proposals for reducing the Supporting People which reflects an incremental approach to the £10.6m cut in the Government's funding for Supporting People made in the 2011/12 settlement. In addition, the Council is undertaking a review of its advice services. All the organisations affected have already been informed about the prospects of some reductions in funding and provider meetings are scheduled to take place in November. The outcomes of the recent Welfare Review included recommendations for exploring co-location of provision across Council and Third Sector organisations which could help to deliver efficiencies, although it is recognised that levels of demand are also likely to rise as a result of the Welfare Reforms.

In 2011/12, through the Leeds Community Foundation, the Council provided funding for the establishment of a transition fund to assist Third Sector groups to adjust to funding changes. The applications that were supported were required to evidence that they had experienced a loss in funding, that they provide frontline services and that they had plans as to how they will be able to transform their organisation to be more sustainable in the future. In total fourteen applications were supported. The 2012/13 budget proposes to provide £150k to support the work of the Leeds Community Foundation in this area.

Although it is proposed that support to major arts organisations is reduced in 2012/13, these organisations have been working with the Council this year to

improve the grants process to better support planning and sustainability. The Council has also been working closely with smaller organisations and individuals responding to their needs. As a result a new approach has been introduced which will see the arts@leeds funding stream developed on a more sustainable basis with more focused criteria. In addition, the Leeds Inspired funding stream has been introduced which will support activity in each year which engages local people in participatory activity. It is proposed that the £0.3m that the Council currently contributes to the West Yorkshire Grants Scheme will be allocated to this funding stream along with some of the old arts@leeds funding.

Efficiency savings in the cost of services provided by the West Yorkshire Joint Services Committee (after the cessation of its grant funding scheme) and the West Yorkshire Integrated Transport Authority have also been assumed which will save £0.9m.

- 7.10.4 **Transport** – The Council aims to reduce the cost of transport by £0.9m by reducing the cost of transporting children from home to school through an invest to save scheme for independent travel trainers, and reviewing the transport policy and practices within Adult Social Care.
- 7.10.5 **Income** - As explained in paragraph 7.3 above, the initial budget proposals do include some increases in the level of fees and charges in particular services. In addition, a number of further income sources are included within the detailed directorate proposals at Appendix 1. These are estimated to generate an additional £5.2m and include £3m assumed funding from Health, a review of traded income with schools £0.5m, and £1m additional income generating opportunities from within Resources. A further review of charges for non-residential adult social care services was approved by Executive Board in July 2011 when the most recent charging changes were made. The review will include reconsidering the financial assessment methodology, services not currently charged for and anomalies in the current arrangements. The main services not currently charged for are Care Ring, respite/sitting services, the delivery & collection of community equipment and telecare equipment maintenance. Proposals will be brought to Executive Board in June 2012 followed by an extensive consultation process. Final recommendations taking account of the consultation outcomes and equality impact assessment will come to the Executive Board in November or December 2012. The earliest implementation for any changes would be 1st January 2013 and the 2012/13 budget proposals include £0.25m for the anticipated part-year effect of this review.
- 7.10.6 **Alternative funding sources** - a number of service areas have identified areas of spend totalling £4.9m which are more appropriately charged to non general fund services or to other organisations who have alternative funding streams. This includes changing the funding arrangements for the Sheltered Wardens service from Supporting People to Housing Benefit which will save £2.3m in 2012/13, with no impact on the wardens service.
- 7.10.7 There are a number of specific growth proposals identified in other sections of the report. In addition it is proposed that £200k additional funding is provided in support of the City's programme of events for the 2012 Olympics and Queen's Diamond Jubilee.

7.10.8 The proposals outlined above are reflected in the table below which gives a subjective breakdown of the Council's initial budget in 2012/13, compared to 2011/12.

Table 7

	Budget 2011/12 £000s	Draft Budget 2012/13 £000s	%age variation
Employees	433,173	428,410	-1.1%
Running Costs	156,039	153,313	-1.7%
Transport	44,847	44,007	-1.9%
Capital Charges	57,759	61,759	6.9%
Payments to External Service Providers	302,733	320,239	5.8%
Fees & Charges/Rents	- 206,064	- 218,701	6.1%
Specific Grant	- 197,576	- 198,176	0.3%
Council Tax freeze grant	- 6,683	- 13,423	
New Homes Bonus		- 5,300	
Use of Reserves	- 2,000	- 14,900	
Net Spend before grants	582,228	557,228	-4.3%
Funded by:			
Formula Grant	- 315,061	- 288,061	-8.6%
Council Tax	- 267,167	- 269,167	0.7%
Total funding	- 582,228	- 557,228	-4.3%

7.10.9 The following pie charts show the share of the Council's net managed expenditure between directorates over the two years 2011/12 and initial budget proposals 2012/13. The proportion of the Council's spend on Children's Services and Adult Social Care has increased from 48.5% in 2010/11, 52.4% in 2011/12 to 55.9% in 2012/13, reflecting the Council's prioritisation of spending in these areas.

Chart 3

Net Managed Budgets 2011/12

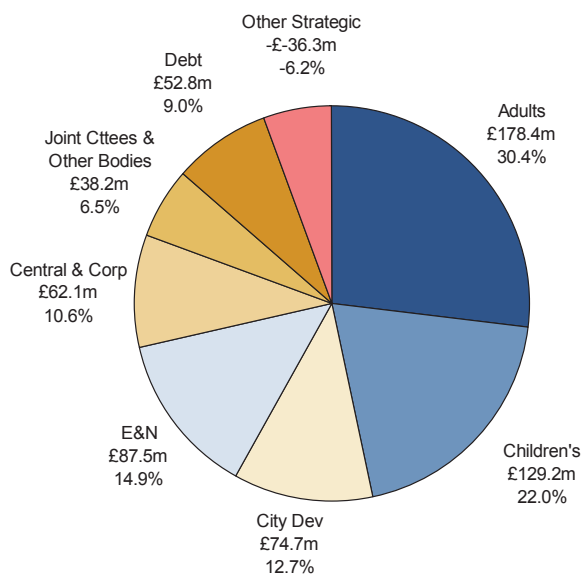
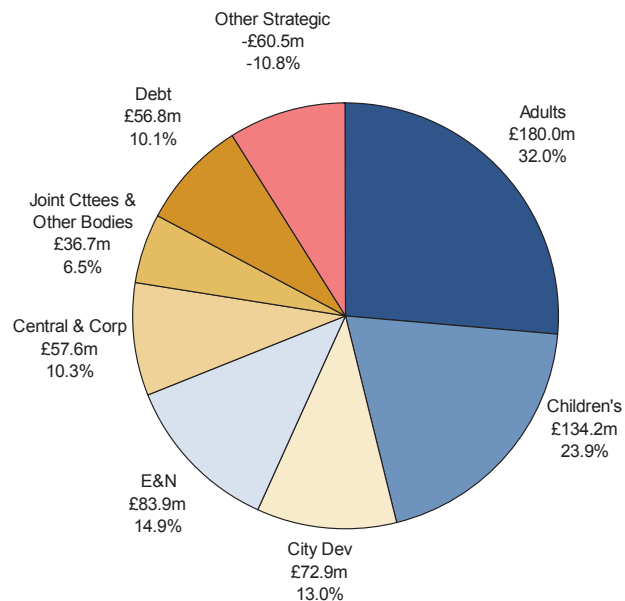


Chart 4

Net Managed Budgets 2012/13



8.0 THE SCHOOLS BUDGET

- 8.1 The Schools Budget is funded by the Dedicated Schools Grant (DSG). The DSG is a ring-fenced grant and may only be applied to meet costs that fall within the Local Authority Schools Budget. Any under or over spend of grant from one year must be carried forward and applied to the Schools Budget in future years. The Schools Budget comprises of Individual School Budgets delegated to schools, the 15hrs of free early years education for 3 and 4 year olds attending private, voluntary and independent settings and a number of prescribed services and costs in support of education in schools.
- 8.2 The DSG for 2012/13 will be calculated by multiplying pupil numbers in Leeds (including those attending Academies) as at January 2012 by a fixed rate of funding of £4,945.95. Total pupil numbers are estimated to increase by 1,176 from January 2011. This is through a combination of increasing numbers in Nursery and Primary Schools and falling numbers in Secondary Schools and should provide a year on year increase in the DSG of £5.82m.
- 8.3 However, the gross DSG is then reduced by an amount equivalent to the delegated budget that would be paid to each Academy, and is also reduced based on an assumption that many of the centrally retained budgets also support Academies.
- 8.4 It is estimated that the gross DSG will be reduced by at least £69.45m in transfer payments due to Academies. The final dedicated schools grant will only be known in June 2012, however it is estimated that the initial DSG will reduce by 7.2% year on year.
- 8.5 Further details as to the Schools budget is included in Appendix 1.

9.0 HOUSING REVENUE ACCOUNT (HRA)

- 9.1 The HRA includes all the expenditure and income incurred in managing the Council's housing stock, and, in accordance with Government legislation operates as a ring fenced account. From 1 April 2012 the Government are introducing a system of self financing for the HRA. This means that Housing Subsidy will cease to exist and the HRA will be allowed to retain all its rental income in return for a one off adjustment of its housing debt (the debt settlement). An indicative debt settlement figure was received by the Council in February 2011, however the Government have indicated that this figure will change.
- 9.2 In previous years the Government issued a Housing Subsidy Determination which amongst other things, detailed the rent increase which the Government assumed the Council would implement. This was a key assumption informing the rent increase and consequently the HRA budget.
- 9.3 The final debt settlement figure for the Council will be based on a number of assumptions including the level of rent increase from 2012/13 onwards. A draft settlement has now been issued for consultation with the final settlement due on the 28th January 2012.
- 9.4 The debt settlement figure and the assumptions upon which it is based will have a major impact on both the 2012/13 HRA budget and the HRA 30 year Business Plan, which is currently being developed. It has therefore been agreed that in order to take these into account the HRA Business Plan (including a draft 2012/13 budget) will be reported to Executive Board in January 2012.

10.0 CAPITAL PROGRAMME

10.1 Over the period 2012/13 to 2014/15 the Council plans to spend £445m on capital investment. The programme is funded by external sources in the form of grants and contributions and also by borrowing and reserves. Where borrowing is used to fund the programme, the revenue costs of the borrowing form part of the revenue budget. Our asset portfolio is valued in the Council's published accounts at £3.5bn excluding the value of community assets such as highways and parks, and the Council's debt stands at £2.0bn. For every £1 of debt the Council has assets of £1.75.

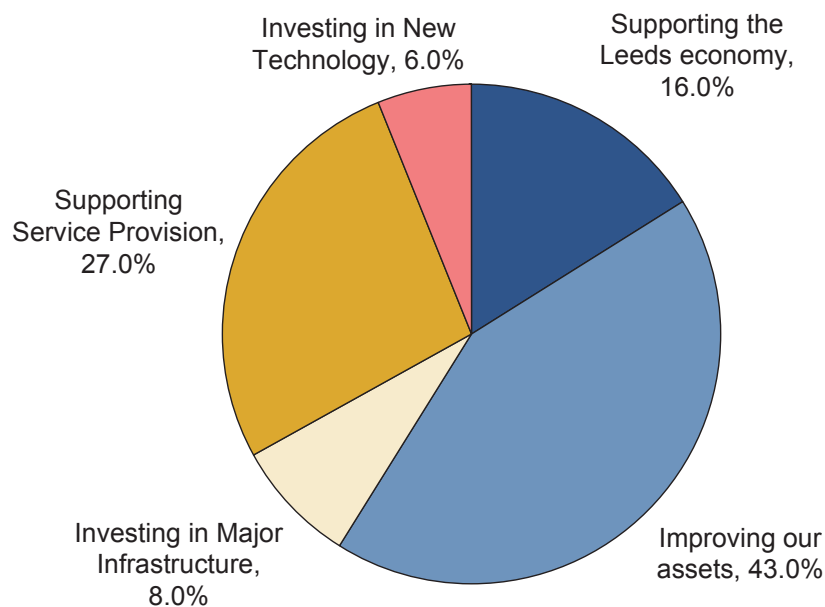
10.2 The Council's approach to capital investment can be summarised into the following categories:

1. Improving our assets;
2. Investing in major infrastructure;
3. Supporting service provision;
4. Investing in new technology;
5. Supporting the Leeds economy.

Set out below is a chart which shows the Council's spend across these categories, and Appendix 2 shows a more detailed analysis.

Chart 5

Capital Programme incl HRA 2012/13 - 2014/15



10.3 Improving our Assets

As set out above the Council holds a considerable asset portfolio, which is valued at least at £3.5bn which it holds mainly in support of service provision. With such a considerable asset portfolio the council has an extensive provision to improve both

the life and value of these assets. This includes continued major programmes to invest in the highway network and the Council's housing stock, and the refurbishment of schools and other buildings across the city.

10.4 Investing in major Infrastructure

There are major infrastructure needs in the city, in particular with respect to transport and flood alleviation. The Council, in partnership with the West Yorkshire Integrated Transport Authority, is promoting the New Generation Transport (NGT) scheme and development costs of the scheme so far have been met by the two authorities. The capital programme over the next three years provides for a further £20m as the Council's contribution to this major development. Similarly the Council is working with partners to secure a scheme which will provide increased protection to the city from the risk of flooding and a sum of £10m has been set aside in the programme to support this scheme.

The Council is working in partnership with stakeholders from all sectors in the city to develop an infrastructure investment programme. This "City Investment Programme" will require funding from a range of sources. There are a range of new funding mechanisms which may be available to the Council, including Local Asset Backed vehicles, Community Infrastructure Levies and Tax Increment Financing, and the City Council continues to explore these opportunities.

10.5 Supporting service provision

The proposed capital programme provides £120m in support of the development of services. In Adult Social Care we are supporting more people to remain independently in their own homes, in line with national policy, through investment in the Telecare programme and disabled facilities grants.

Within Children's Services, demographic change and rising birth rates are placing significant pressure on the need to provide additional primary school places and this is expected to continue until 2018. Over the three year period to 2014/15, over £40m is included in the programme for this purpose. A further £11m is provided under the Primary Capital Programme. The final schemes in the Building Schools for the Future programme are now agreed and the programme provides for investment under this programme of £23m.

Provision is included to extend our cemetery provision and upgrade our crematoria as well as supporting the refuse collection service through a programme of bin replacement and expansion of the recycling and garden waste services.

10.6 Investing in new technology

Information Technology is now a fundamentally important part of our society and it is important that the Council ensures that it has a technology infrastructure which will support the expectations of the whole community. It is proposed that the programme therefore provides for the essential upgrade of the whole of the Council's IT infrastructure. There is provision for the development of a new Council website which will be launched in the summer of 2012; this will lead to an increasing number of services and transactions which can be accessed online. In addition the programme provides for investment in new technology to support key front line services in Children's and Adults social care, and in support of new ways of working under the

Council's Changing the Workplace initiative which is helping reduce our office accommodation and respond to the changing demands on our workforce.

10.7 Supporting the Leeds economy

In the current difficult financial environment the city faces many economic challenges. The City Council's capital programme makes provision for a number of schemes and projects to support the city's aims in this respect. Support for affordable housing initiatives is provided through a number of means. Direct capital programme funding of £2.4m is provided for site clearance and onward sale of sites to Registered Social Landlords and this should support the delivery of over 350 affordable homes in the city over the period of the programme.

The programme provides for the new Arena which is progressing well in construction and will be open in 2013. The City Market plays a key role in the city centre and the Council is committed to ensure its future is sustained; £0.4m is provided in the programme to provide essential improvements.

In order to support innovation and economic initiatives in the city, with particular emphasis on projects which will reduce carbon emissions in the city, it is proposed to provide a fund of £15m in the capital programme. If this is agreed, details of how this fund will be allocated and made available will be drawn up for consideration by Members.

11.0 **MEDIUM TERM FINANCIAL PLANNING 2013/14 – 2014/15**

11.1 As explained earlier, in line with the Government's Spending review, it is to be expected that the Council will need to make further significant savings in 2013/14 and 2014/15. Our current best estimate of the reduction in our Government grants for these years are:

- £9.9m in 2013/14
- £25.6m in 2014/15

11.2 We have undertaken an initial projection of our likely funding gap in these two years, which takes account of the following assumptions

- Reductions in Government Grant as detailed in 11.1 above
- Fall out of the Council Tax Freeze Grant in 2013/14
- Fall out of one of use of the schools PFI Reserve
- Continuing use of General fund Reserves of just £2m
- Increase in the Council Tax base and a reasonable increase in the Council Tax
- Inflation and pay awards
- Full year effect of 2012/13 pressures and savings
- Continuing demand pressures in Adults Social Care and Children's Services

11.3 Based upon the above, and as summarised in Table 8 below, it is estimated that further savings of £43m will be required in 2013/14 and £50m in 2014/15.

Table 8

	2013/14 £m	2014/15 £m
Funding		
Formula Grant	8.1	20.9
Core Grants	1.8	4.7
	9.9	25.6
Council Tax/Tax Base	-7.8	-8.0
2012/13 Council Tax Freeze Grant	6.7	
New Homes Bonus	-2.6	-2.6
Use of PFI reserve	9.9	
Use of General Fund Reserves	3.0	
Total Funding	19.1	15.0
Spending		
Inflation and Pay Awards	15.1	20.0
Debt	6.0	8.0
Demand Pressures		
Adults	5.1	5.1
Children's	-2.4	0
Income pressures	1.4	0.4
Other base pressures/ongoing efficiencies	1.0	1.0
Savings proposals/options	-2.5	
Total spending pressures	23.7	34.5
Savings to be identified	42.8	49.5

11.4 The above estimate of the reduction in the Council’s Formula and Core Grants from Government in 2013/14 and 2014/15 is based upon an assessment of the impact of the Spending Review for those years. It does not take account of the Government’s Local Government Resource Review, and its proposals for business rate retention. Under the proposals the current Formula Grant system would cease and, instead, from 2013/14 onwards, local authorities would be allowed to keep a proportion of their growth in business rates locally. A system of top-ups and tariffs would be applied to balance resources between those authorities whose funding would exceed their business rates income and those where the opposite would apply. The proposals represent a fundamental shift in approach to funding local, but would also transfer the risk associated with business rates from central government to local authorities. At present, business rates are paid into a national pool and redistributed to local authorities as part of the local government finance settlement, with any surpluses or deficits being managed nationally. Moreover, in what would be the first two years of the scheme it does appear that there will be significant constraints upon an authority’s ability to gain from the new arrangement, and as such our forecasts do not assume any additional income from the retention of business rates in 2013/14 and 2014/15.

11.5 Also the above does not take account of the transfer of public health functions to local authorities scheduled to take place from 2013/14. The council is working with Public Health, NHS to progress the transfer of the service to the council by 1 April 2013. A transition group is being established with members of Public Health and the Council, to lead on making the appropriate arrangements for the transfer and to co-ordinate communications across service areas and to employees during the transition period. Public Health covers a range of service provision to the City including; Health Improvement (covering commissioning, developing policy and services, informing, educating and empowering, developing communities), Health Protection and Public Health Advice to the NHS Commissioning Board. The total

amount of funding that has been identified as likely to transfer to local authorities is approximately £30m, although the final figure is still to be confirmed.

- 11.6 It is clear from the above that 2013/14 and 2014/15 will be difficult years. Significant savings will be required and it is important that early progress is made in identifying saving options for these years.
- 11.7 In reviewing the Council's medium term financial plans, it is recognised that there are a number of national factors, which could have an impact on the Council's future funding and service provision which at this time are not factored into the above assessment. These are discussed in more detail below:
- 11.7.1 **The National Economic Environment** - The latest forecast for economic growth in the current year is 0.9% and for next year is just 0.7%. Although interest rates are predicted to remain at a very low level for the foreseeable future, inflation is still well over the Government's 2% target. The Council is affected by these factors in a number of ways. Many of its income streams are dependent on growth; Planning, Building Control and Search Fees remain under pressure. Costs of goods and services will continue to rise with relatively high inflation and it is unclear how this will affect staffing costs in the future. There has been no cost of living pay award for the last two years and it was announced in the Chancellor's Autumn Statement that public sector pay increases would be capped at an average of 1% for the next two years. Income generated from capital receipts is well below historic levels.
- 11.7.2 **Welfare Reform** - The Government is also consulting on a proposal to localise Council Tax benefit 'Localising Support for Council Tax in England'. Under the proposal the Government would provide a fixed amount of money (it proposes a 10% reduction on the current council tax benefit bill), from which the Council would have to try and meet the costs of council tax benefit. If a council cannot achieve that saving then the cost burden will fall on their local tax payers. This represents a major shift in budget risk away from central government to local government. Even small changes in caseload could see local authorities struggling to contain benefit expenditure within budget. The 2011/12 budget for council tax benefit in Leeds is around £55.7m - a 10% reduction would require savings in council tax benefits of £5.6m. The consultation paper doesn't propose any specific scheme details although Councils are encouraged to do this through establishing a local scheme. The impact of welfare reforms on the city could be significant, and the Council will be under pressure to identify the capacity to respond to this challenge. The consultation paper proposes an ambitious target implementation date of April 2013.
- 11.7.3 The Government's welfare reform proposals would also see the following benefits combined into a single Universal Credit:
- Housing Benefit;
 - Income Support;
 - Income based job seekers allowance;
 - Income related employment and support allowances,
 - Working Tax Credit and Child Tax Credits.

The Government proposes that the universal credit be delivered at a national level. This would mean that local authorities would no longer be responsible for processing housing benefit applications severing the long standing link between housing and council tax benefits. This would clearly have very serious implications for the Council particularly when considered with the proposals for formula grant and council tax benefits.

12.0 CORPORATE CONSIDERATIONS

12.1 Consultation and Engagement

- 12.1.1 As explained at sections 4 and 9 above the initial budget proposals have been informed through a number consultations including an article in the autumn edition of "About Leeds" asking residents to confirm that our spending challenge priorities are still the right ones. Subject to the approval of the board, this report will be submitted to Scrutiny for their consideration and review, with the outcome of their deliberations to be reported to the planned meeting of this board on the 10th February 2012.
- 12.1.2 Consultation is an ongoing process and residents are consulted on many issues during the year. It is also proposed that this report is used for wider consultation with the public through the Leeds internet and with other stakeholders. Consultation is on-going with representatives from the Third Sector, and plans are in place to consult with the Youth Council and the Business sector prior to finalisation of the budget.

12.2. Equality and Diversity / Cohesion and Integration

- 12.2.1 The Equality Act 2010 requires public bodies to give due regard to equality. The council is committed to ending unlawful discrimination, harassment and victimisation and to advancing equal opportunities and fostering good relations. In order to achieve this we need to ensure that equality and diversity are given proper consideration when we develop policies and make decisions. The council has an agreed process in place to do this through the use of equality impact assessments and the council is also committed to continuing to publish all of these. This process was improved and strengthened last year. Specific guidance has also been developed to consider equality and organisational change impacting on the workforce. This includes employment issues such as re-organisation and job redesign, flexible deployment and early leavers initiatives.
- 12.2.2 The Council has continued to further develop its approach which has included work by Corporate Governance to revise and improve report writing guidance which includes specific reference to providing evidence on how equality is considered/or was not considered to be relevant in the decision making process.
- 12.2.3 In addition the Council Business Plan 2011 – 2015 outlines what we want to change and improve over the next four years. The plan is underpinned by a clear set of values and priorities for action. In addition to the Directorate priorities a set of cross council priorities has been introduced. One of these cross council priorities is that there is evidence that equality is given due regard in Council policy and decision making. The indicator builds on the commitment made last year to understanding the impact of the budget and the decisions made by the council on equality and diversity issues.
- 12.2.4 By providing evidence that we have done this for our most important decisions, we can be sure that we are meeting our legal and moral obligations. This cross council priority has a target that every year we will be able to evidence that equality issues have been considered in 100 per cent of major decisions. This indicator will assist in focusing attention in this area to ensure both legal compliance and also to ensure that the council takes account of the needs of all communities.

- 12.2.5 To further support this work to embed equality in the decision making process workshops and briefings have taken place with both officers and members, and these will continue to take place and to be further rolled out. The Equality Position Statement 2011 has also been developed and this provides considerable factual information about outcomes for different equality communities, which can be used to inform the screenings and EIAs, and this is being widely promoted.
- 12.2.6 Where budget considerations are taking place in directorates these do so within the normal decision making process, which gives due regard to equality through use of screening and equality impact assessments. Each directorate currently has access to support from a member of the Equality Team who will be involved in the due regard process.
- 12.2.7 The initial budget proposals contained within this report have, where appropriate, been the subject of the Council's equality impact assessment process. The screening process has been undertaken to understand the significance of any potential impact on equality considerations, which then determines whether a full equality impact assessment is required. The position for individual proposals is indicated in appendix 1.

12.3 Council Policies and City Priorities

- 12.3.1 The initial budget proposals seek to ensure that the policies and priorities of the Council are supported by directing financial resources towards the Council's policies and priorities.

12.4 Resources and Value for Money

- 12.4.1 This is a revenue budget financial report and as such all financial implications are detailed in the main body of the report.

12.5 Legal Implications, Access to Information and Call In

- 12.5.1 This report has been produced in compliance with the Council's Budget and Policy Framework. In accordance with this framework, the initial budget proposals, once approved by the board will be submitted to Scrutiny for their review and consideration. The outcome of their review will be reported to the February 2012 meeting of this board at which proposals for the 2012/13 budget will be considered prior to submission to full Council on the 22nd February 2012.
- 12.5.2 The initial budget proposals will, if implemented, have significant implications for Council policy and governance and these are explained within the report. The budget is a key element of the Council's Budget and Policy framework, but many of the proposals will also be subject to separate consultation and decision making processes, which will operate within their own defined timetables and managed by individual directorates.
- 12.5.3 In accordance with the Council's Budget and Policy Framework, decisions as to the Council's budget are reserved to Council. As such, the recommendation at 14.1 is not subject to call in, as the budget is a matter that will ultimately be determined by Council, and this report is in compliance with the Council's constitution as to the publication of initial budget proposals two months prior to adoption.

12.6 Risks

12.6.1 A full risk assessment will be undertaken of the Council's financial plans as part of the normal budget process, but it is clear that there are a number of risks that could impact upon these plans put forward in this report; some of the more significant ones are set out below.

- Reductions in government grants are greater than anticipated. Grant figures for the Council for 2013/14 and 2014/15 will not be known until later in the planning period.
- Inflation and pay awards could be greater than anticipated.
- Other sources of income and funding could continue to decline.
- Demand pressures in Adult Social care and Children's services could be greater than anticipated.
- The delivery of savings from the Council's transformation agenda and other saving options could be delayed or less than anticipated.
- Changes in interest rates could impact upon capital financing charges.
- Asset sales could be delayed requiring the Council to borrow more to fund investment.
- Reductions in staffing numbers from early leaver initiatives and natural turnover could be less than anticipated.
- Impact of Government policy changes, including the Government's Local Government Resource Review.
- Failure to understand and respond to the equality impact assessment.

12.6.2 A full risk register of all budget risks in accordance with current practice will be maintained and will be subject to quarterly review. Any significant and new risks are contained in the budget monitoring reports submitted to each meeting of the Executive Board, together with any slippage on savings.

13.0 CONCLUSIONS

13.1 At a time when many of the services provided by the Council face significant demand pressures now and into the future, the government's 2010 Spending Review and resulting grant settlements present a significant financial challenge to the Council. In the current year, the Council has had to find savings of around £90m, and the Council has responded exceptionally well to the challenge and the Council expects to achieve its budget by the end of March 2012. However, the challenge facing the Council is not just a financial one, but is also how we respond to a new policy agenda and new expectations and demands. The Council recognises that it needs to change, and is developing a concept of civic enterprise which will require the Council to transform the way it works and how it works in partnership with the private and third sectors. As such it will alter its relationship with the people of Leeds, but the ultimate aim must be to make Leeds a better place to live for all the people of Leeds.

13.2 The Council's approach to medium term financial strategy is consistent with previous years in that it is designed to provide an overall financial framework to ensure that the Council's key priorities can be supported within the available funding over the planning period, and to inform the delivery of the Council's annual budget. 2012/13 is the second year of the Spending Review, and the Council is again facing the need to generate savings of around £55.4m. The initial budget proposals for 2012/13 set out in this document, subject to the finalisation of the detailed proposals in February 2012, will, if delivered, reduce the Council's spend by the required amount. Just as important, the initial budget proposals, also mark an important milestone in

responding to the new policy agenda, but in a way which coherently recognises a new role for the authority, based around the developing concept of civic enterprise, but one which, in conjunction with partners and other stakeholders, is still firmly focused on countering disadvantage and inequality within the city.

- 13.3 The proposals for 2012/13 do include the use of significant one off sources of funding, and as such it is imperative that a robust budget is agreed and that appropriate actions are taken to ensure that it is delivered. No reliance can be placed on any further use of reserves and should identified savings not be delivered, alternative savings options will be needed. This is all the more important given that in 2013/14 and 2014/15 the Council will face further financial challenges, which will require the Council to further review and transform its services in the light of its new role.

14.0 RECOMMENDATION

- 14.1 The Executive Board is asked to agree this report as the initial budget proposals and for them to be submitted to Scrutiny and also for the proposals to be used as a basis for wider consultation with stakeholders.

15.0 BACKGROUND PAPERS

- Local Government Finance settlement – Executive Board report 5.01.2011
- The Council's 2011/12 budget approved by Council on 23.02.11
- Government's Comprehensive Spending Review 2010 published October 2010
- The Spending Challenge 2011/12 detailed results
- Carbon Reduction Commitment Energy Efficiency Scheme – Department of Energy and Climate Change
- Capital Programme update - Executive Board report 2.11.11
- Council Tax Freeze Grant 2012/13– Government announcement 3.10.11
- Reform of Council Housing Finance – Department of Communities and Local Government(DCLG)
- Localising Support for Council Tax in England – DCLG consultation papers published 2.08.11

Initial Budget Proposals – 2012/13

City Development

The City Development Directorate has a lead responsibility in the Council for the economic, physical and cultural development of Leeds. Over the next 3 to 4 years the Directorate's focus will be maintaining Leeds' ongoing development as a regional, economic and cultural capital and facilitating its economic recovery.

The 2012/13 budget proposals will show the full year effects of decisions taken in 2011/12, which saw a budget reduction of £13m from the previous year. The directorate's budget strategy in 2012/13 will continue to provide for a reduction in staff numbers following reductions made over the previous 3 years, originally in relation to the economic recession and rationalisation of facilities. Several major staffing restructures have taken place and the budget proposals for 2012/13 include provision for further staffing reductions arising from the Early Leaver Initiative and from further structure reviews. It is anticipated that over the next three years staff numbers will fall further with a reduction of approximately 70 FTEs in 2012/13 as additional staff leave through the Corporate ELI scheme and a further review of service provision and structures are undertaken.

The continued provision of in-house services has been reviewed and earlier in 2011 Executive Board gave approval to two options being explored for the future of the in house Architectural Design Service. The recommended option is the transfer of staff to a Joint Venture Company. This review will be concluded shortly. As part of an ongoing review of service provision consideration will be given as to whether this delivery model can be extended to other service areas.

The directorate is leading on some key projects for the City that will help ensure Leeds' ongoing economic development including the Leeds Arena, the Eastgate and Harewood Quarter, Leeds Flood Alleviation Scheme, New Generation Transport (subject to funding announcement December 2011), City Park, a strategy for Kirkgate Market, Holt Park Wellbeing Centre in collaboration with Adult Social Care, A65 Quality Bus Initiative, Inner Ring Road Structures, relocation and upgrade of the Urban Traffic Management Control System, Aire Valley Eco –Settlement and Enterprise Zone, and the Leeds Casino Project. The Directorate has also led on and successfully completed on a number of key projects for the City including City Varieties Refurbishment, Inner Ring Road Stage 7 and contributed to the on site development of the Trinity Shopping Centre.

The 2012/13 budget will include a continuation of ongoing areas of work including Neighbourhood planning, Community Infrastructure Levy, closer working with Environment and Neighbourhoods on Street Scene and Parks and Countryside services, collaboration with other Yorkshire and Humberside Councils, developing options for the future sustainability of Kirkgate Market, further potential for income generation including a review of Leisure income and the move of the Tourism and Inward Investment teams to Marketing Leeds.

All services have reviewed their base budgets and as part of this process some ongoing savings have been identified, some of these have been realised by the establishment of the central ordering hub. A number of contract savings have been achieved in Highways and Transportation and these are also reflected in the budget proposals. In addition, the budget proposals include other specific savings proposals which are itemised in the attached appendix.

It is proposed that support to major arts organisations is reduced by £0.25m in line with the recommendations of the July 2011 Executive Board report into a future strategy for support to arts organisations.

Whilst in the medium term it is anticipated that there will be some provision for economic recovery, in particular the realistic reinstatement of planning and building fees, in the short term the level of

income from fees and charges have been realistically assessed taking into account the challenging economic conditions. In 2012/13 it is proposed that a number of income budgets should be reduced, reflecting trends in 2011/12 which are expected to partly continue into 2012/13. These include a reduction to the planning and building fee income target, a reduction to markets income and a reduction in income from the Sovereign Street car park. The budget proposals include some provision for increases to fees and charges but only where it is considered that the market can bear an increase; in these cases increases have been kept to between 1% and 3% although it is proposed for a higher increase for cemetery charges. In some cases market conditions are such that no increases are currently proposed and these include planning and building fees and Sport bodyline charges. It is also proposed in 2012/13 to carry out a review of Leisure income and the use of card membership schemes across the Leisure portfolio.

The planned disposal of investment sites will have an impact on income where these are currently income generating. The Medium Term plan needs to allow for the loss of income from such disposals. A priority in the directorate is to develop a sustainable future for Kirkgate Market. The implementation of a future strategy for Kirkgate Market may well have a revenue impact which will need to be factored into the Medium Term Plan.

It is anticipated that a number of key pieces of work will be progressed in 2012/13. These include a review of card membership schemes across the Leisure portfolio, the introduction of a high profile annual cultural and sporting programme, encouraging greater participation for citizens in their local environment including participation in gardening, delivering a Leeds response to housing growth, continuing to encourage economic growth to support jobs and skills and working towards the establishment of a West Yorkshire Transport Fund.

Leeds will be included in celebrations for the 2012 Olympic Games and the 2012/13 budget will facilitate the establishment of training camps in the City for visiting teams and for the Olympic torch relay when it visits the City.

Pressures/Savings	2012/13 £m	Full Year Effects £m	EIA required Y/N
Recognised Pressures			
Income Pressures			
Reflecting current and expected trends:			
a) Planning and building fees Income from planning and building fees is currently projected to be below budget in 2011/12 and the position in 2012/13 is not expected to improve significantly.	0.5		N
b) Markets income Income from Kirkgate Market is currently projected to be below budget in 2011/12 and it is proposed to reduce the income target in 2012/13 to reflect this position as occupancy levels are not expected to improve significantly in the short term.	0.3		N
c) Architectural Design Services overheads Subject to a final decision being made, it is anticipated that the majority of the Architectural Design Services unit will transfer to a Joint Venture Company between the Council and Norfolk Property Services in early 2012 which will impact on the recovery of overheads.	0.3		N
d) Sovereign Street car park Reflects a reduction in income being generated.	0.2		N
e) PFI scheme work Officers in Planning and Sustainable Development and Economic Development have been providing support to various PFI schemes for which income was received. This income source has reduced over the last year.	0.2		N
Other Budget Pressures			
a) Olympics Additional budget provision is required to facilitate the establishment of training camps in the City for visiting teams and for the Olympic torch relay when it visits the City. In 2013/14, consideration will need to be given to any costs associated with Leeds being selected as a Rugby League World Cup host city.	0.18		N
b) Joint service centres costs This reflects the additional cost to the Library service of operating libraries at the Chapeltown and Harehills Joint Service Centres.	0.15		N
c) City Museum NNDR increase	0.13		N
d) Flood risk management This reflects additional responsibilities allocated to Local Lead Flood Authorities under the Flood and Water Management Act 2010, including maintaining a drainage asset register, investigating flood incidents, preparing and implementing a Local Flood Risk Strategy.	0.13		N

Savings			
a) Employees Includes savings on staffing anticipated from approved ELIs, restructures, switching of staff and a review of leisure facility opening hours and service provision.	-2.00		Y
b) Grass cutting contract savings Reflects the reduced contract price of the grass cutting contract in Highways and Transportation.	-0.23		Y
c) Reduction to Arts Grants As part of the review of the grants process a reduction to support to the Major Arts Organisations is proposed although the review also includes the art@leeds funding stream developed on a more sustainable basis and the Leeds Inspired funding stream has been introduced which will engage local people in participatory activity.	-0.25		Y
d) Rebasing - reflecting current trends, This reflects savings being made in 2011/12 and now projected to be achieved in 2013/14 mainly from reductions to supplies and services and savings from the establishment of the centralised ordering hub.	-0.50		N
e) Other savings proposals: Running costs - savings on rents in Corporate Property Management from properties recently vacated by the Council.	-0.16		N
Running costs - in Planning and Sustainable Development mainly on the Local Development Framework and contaminated land expenditure.	-0.06		N
Running costs - in Highways and Transportation including spend on water features, Urban Traffic Management Control contract savings, flood risk management contract savings and reduced spend and reduction in highways works spend and contract savings.	-0.33		Y
Running costs - in Economic Development including reduced city centre spend and economic policy spend.	-0.05		Y
f) Fees and Charges The potential for increases in fees and charges have been assessed and in general increases of between 1% and 3% across the directorate's income base are proposed.	-1.02		Y
Fee increases in Highways. This covers income not included in the above and reflects proposed increases to cover the anticipated increase in salary costs in 2012/13.	-0.17		N
Parks and Countryside – Cemetery and Crematoria prices were increased in November 2011 and it is proposed to review prices in 2012/13. The review will include a comparison with other Core City prices although it is envisaged that prices will be raised in line with inflation.	-0.2		Y
Highways Bikeability grant funding. The increase in this grant in 2012/13 will fund some existing costs.	-0.04		N
Increased developer commuted sums to support Highways expenditure.	-0.1		N

Appendix 2

Capital Programme Funding by Category - 2012/13 to 2014/15

Title	Total £000	2012-13 £000	2013-14 £000	2014-15 £000
<u>Improving our assets</u>				
GREAT GEORGE STREET - PROPERTY COSTS	231.2	231.2	0.0	0.0
HOMEWORKER FURNITURE	33.0	33.0	0.0	0.0
WOODKIRK HIGH SCHOOL SPORTS PITCH	1,150.0	1,000.0	150.0	0.0
BOSTON SPA HS INDOOR TENNIS CENTRE	29.0	29.0	0.0	0.0
AIDED SCHOOLS MINOR WORKS PROG	103.9	103.9	0.0	0.0
ASBESTOS REGISTER - SURVEY WORKS	4.2	4.2	0.0	0.0
TEMPORARY ACCOMMODATION	11.0	11.0	0.0	0.0
SCHOOLS DEVOLVED CAPITAL WORKS	3,978.6	3,978.6	0.0	0.0
GENERAL REFURBISHMENT 2011/12	993.8	993.8	0.0	0.0
FIRE SAFETY - ALARMS 2011/12	4.4	4.4	0.0	0.0
FIRE COMPARTMENTATION WORKS 2011/12	9.0	9.0	0.0	0.0
SCHOOLS GENERAL REFURBISHMENT	3,761.8	2,086.8	1,675.0	0.0
SCHOOLS CAPITAL MAINTENANCE 2011/12 TO 2013/14	26,537.6	16,037.6	10,500.0	0.0
SCHOOLS ACCESS PROGRAMME 2007/8 TO 2010/11	1,527.6	790.5	386.1	351.0
SCHOOLS MODERNISATION PROGRAMME	2,000.0	2,000.0	0.0	0.0
LOWER WORTLEY COMMUNITY CENTRE	14.1	14.1	0.0	0.0
KIRKSTALL DEPOT ACCESS OFF VIADUCT RD	14.1	14.1	0.0	0.0
W.Y.J.S ARCHIVE STORAGE BUILDING	18.3	18.3	0.0	0.0
WEST YORKSHIRE ARCHIVES EXTENSION	245.0	245.0	0.0	0.0
NON ILLUMINATED SIGNS	17.0	17.0	0.0	0.0
LOW BRIDGE SIGNING WORK - TR. SOUTH AREA	3.0	3.0	0.0	0.0
FARNLEY WOOD BECK - BALANCING LAKE FS	82.5	82.5	0.0	0.0
WHITEHALL ROAD - RIVERSIDE DEVELOPMENT	258.6	101.0	157.6	0.0
WELLINGTON STREET, LEEDS, ROYAL MAIL DEV	346.8	186.8	160.0	0.0
METHLEY LANE CLUMPCLIFFE FARM A639 DEV	27.0	27.0	0.0	0.0
NORTH ST AND SKINNER LN DEVELOPMENT	31.7	28.3	3.4	0.0
HENCONNER LN/GREEN LN DEV S278	20.0	20.0	0.0	0.0
WHITEHALL RD DUNLOP&RANKIN WOOD LN S278	13.8	13.8	0.0	0.0
HIGH ROYDS S278 JUNCTION G	402.0	275.0	127.0	0.0
POLLARD LANE BRAMLEY S278	32.0	32.0	0.0	0.0
CROWN POINT RD PLOWRIGHT PRINTERS S278	17.3	17.3	0.0	0.0
TOWN STREET STANNINGLEY PEL XING S278	8.0	8.0	0.0	0.0
CONCEPT HSE STEPS WESTFIELD RD B VUE RD	9.7	9.7	0.0	0.0
KIRKSTALL FORGE KIRKSTALL RD S278 WEST J	1,935.2	880.0	850.0	205.2
BACK LANE DRIGHLINGTON S278	20.0	20.0	0.0	0.0
THE GROVE OFF NORTH LN ROUNDHAY S278	19.4	19.4	0.0	0.0
VICTORIA EMBANKMENT ATKINSON ST	4.0	4.0	0.0	0.0
EASEL PHASE 1 SITES 5 & 7 S278 WORKS	653.0	590.0	63.0	0.0
KIRKSTALL FORGE KIRKSTALL RD S278 EAST J	1.0	1.0	0.0	0.0
CEMETERY ROAD PUDSEY S278 RESIDENT. DEVE	24.5	24.5	0.0	0.0
REGINALD TER REGINALD ST CHAPELTOWN S278	66.9	66.9	0.0	0.0
HARROGATE RD MOORTOWN M&S STORE S278	93.0	93.0	0.0	0.0
GREEN ROAD MEANWOOD WAITROSE S278	12.0	12.0	0.0	0.0
COMMERCIAL ST BUTCHER LANE ROTHWELL S278	40.9	40.9	0.0	0.0
ST BERNARDS MILL GELDERD RD GILDERS S278	43.0	43.0	0.0	0.0
WOODSIDE QUARRY DEVT - SECT 278	2,365.0	2,200.0	165.0	0.0
GELDERD RD BRACKEN PARK GILDERSOME S278	60.2	60.2	0.0	0.0
HAREHILLS LN / KIMBERLEY RD - NETTO S278	18.4	18.4	0.0	0.0
CROWN POINT RETAIL PARK - ACCESS - S.278	44.0	44.0	0.0	0.0
S278 WATERLOO MANOR HOSPITAL EXTENSION	27.7	27.7	0.0	0.0
TRINITY WEST BUS STOP RELOCATIONS	60.1	60.1	0.0	0.0
HOLT PARK WELL BEING CENTRE - S.278	12.0	12.0	0.0	0.0
ALDI BRADFORD ROAD GUISELEY	5.0	5.0	0.0	0.0
SKELTON FOOTBRIDGE	585.8	203.4	382.4	0.0

SHARPE LANE MIDDLETON DEV S106	4.0	4.0	0.0	0.0
MIDDLETON LN SOUTH SITE TOWCESTER AVE106	150.7	137.0	13.7	0.0
SHARP LANE MIDDLETON AREA TRAF MAN S106	16.6	16.6	0.0	0.0
BRADFORD RD A650 THORPE LN WIDENING S106	261.0	250.0	11.0	0.0
VALLEY ROAD MORLEY CULVERT IMPROVEMENT	2.3	2.3	0.0	0.0
NEVILLE ST & SOVEREIGN ST S.106 PED FAC	120.8	110.2	10.6	0.0
RING RD MIDDLETON PELICAN SHOPPING CENTR	2.4	2.4	0.0	0.0
FLEET LANE - METHLEY - TRAFFIC REG ORDER	15.0	15.0	0.0	0.0
BELLE ISLE ROAD / TOWN ST - PED CROSSING	15.0	15.0	0.0	0.0
SCHOOL TRAVEL LOW COST MINOR WORKS, CAP	4.2	4.2	0.0	0.0
A653 DEWSBURY RD-QBI TOMMY WASS JUNCTION	63.0	63.0	0.0	0.0
BUS STOP ACCESS IMPS - TARGETED STOPS	55.9	0.0	55.9	0.0
MEANWOOD RD BUS PRIORITY MEASURES	17.1	0.0	0.0	17.1
BRAMLEY EAST 20MPH ZONES & BROAD LN LFC	14.0	14.0	0.0	0.0
LAND COMPENSATION CLAIMS SOUTH LEEDS STA	51.7	0.0	51.7	0.0
LEEDS CORE CYCLE NETWORK	46.4	0.0	46.4	0.0
BEESTON CARDINALS 20 MPH ZONE	10.0	10.0	0.0	0.0
HAREHILLS ST WILFREDS 20 MPH ZONE	5.0	5.0	0.0	0.0
HORSFORTH ROUNDABOUT SIGNALISATION	1,109.1	589.1	520.0	0.0
CROSSING ELLAND RD NR OLD RD CHURWELL	3.5	3.5	0.0	0.0
CROSSING A642 ABERFORD RD,WOODLESFORD	3.4	3.4	0.0	0.0
A653 DEWSBURY RD J/W LINDEN RD -CROSSING	52.9	52.9	0.0	0.0
LEEDS CYCLE NETWORK ROUTES	111.0	99.0	12.0	0.0
HAREHILLS LANE - LTP TRAFFIC WORKS	70.0	65.0	5.0	0.0
WEST CHEVIN RD JUNCTION IMP 30MPH 40MPH	3.9	3.9	0.0	0.0
LEEDS RD GUISELEY - PED FACILITIES	7.0	7.0	0.0	0.0
DEWSBURY RD - REIN RD TINGLEY - PED FAC	93.0	93.0	0.0	0.0
A650 BRITANNIA RD MORLEY - PELICAN XING	3.7	3.7	0.0	0.0
20 MPH SPEED LIMIT REVIEW AND PROPOSALS	10.0	10.0	0.0	0.0
BRITANNIA ROAD, MORLEY - TRAFFIC MGT	32.0	32.0	0.0	0.0
ROUNDHAY RD BAYSWATER RD TO HAREHILLS LN	391.0	373.0	18.0	0.0
COOKRIDGE STREET CYCLE ROUTE CITY C PH3	65.0	57.0	8.0	0.0
A647 QBC CANAL ST BUS PRIORITY	41.9	41.9	0.0	0.0
A61 LEEDS ROAD LOFTHOUSE	4.5	4.5	0.0	0.0
A64 YORK ROAD - PEDESTRIAN SAFETY	2.0	2.0	0.0	0.0
TOWN & DISTRICT CTR PARKING SCHEMES	80.0	40.0	40.0	0.0
ARMLEY GYRATORY IMPROVEMENT SCHEME	70.0	20.0	50.0	0.0
SCOTT HALL ROAD GUIDEWAY IMPS	5.0	5.0	0.0	0.0
YORK ROAD GUIDEWAY IMPROVEMENTS	5.0	5.0	0.0	0.0
CHURWELL HILL / RING RD JCT BUS PRIORITY	9.0	9.0	0.0	0.0
ELLAND ROAD BUS PARK & RIDE	530.0	500.0	30.0	0.0
DISABLED ACCESS IMPROVEMENTS	35.0	35.0	0.0	0.0
PUBLIC RIGHTS OF WAY NETWORK	50.0	25.0	25.0	0.0
UTC INVESTMENT	90.0	45.0	45.0	0.0
TRAFFIC MONITORING DEVICES	58.0	41.0	17.0	0.0
ROAD SAFETY CAMERAS ENFORCEMENT	141.0	57.0	84.0	0.0
STANNINGLEY BYPASS – Road Safety Scheme (RSS)	200.0	100.0	100.0	0.0
PONTEFRACT RD STOURTON - RSS STAGE 1	5.0	5.0	0.0	0.0
YORK RD / HAREHILLS LN / OSM LN - RSS	1.0	1.0	0.0	0.0
BRADFORD RD / GALLOWAY LN - RSS	4.5	4.5	0.0	0.0
HEADINGLEY & KIRKSTALL ROAD - RSS	198.0	77.0	121.0	0.0
TARGETED ROAD SAFETY AT BENDS	2.0	2.0	0.0	0.0
RING RD FARSLEY / CALV LN - RSS	4.0	4.0	0.0	0.0
SHEEPSCAR INTERCHANGE - RSS	3.0	3.0	0.0	0.0
DEWSBURY RD / GARNET / PARKSIDE - RSS	5.0	5.0	0.0	0.0
WELLINGTON ST / LISBON ST / CASTLE - RSS	2.0	2.0	0.0	0.0
OTLEY RD / GOLDEN ACRE PARK - RSS	2.0	2.0	0.0	0.0
ROBIN LN / LITTLEMOOR RD - RSS	48.0	44.0	4.0	0.0
HENCONNER LN / BUTT LN - TRAFFIC SIGS	170.0	170.0	0.0	0.0
NEW PEDESTRIAN CROSSINGS	250.0	250.0	0.0	0.0
SAFER ROUTES TO SCHOOL	250.0	125.0	125.0	0.0
STREET LANE JCT NORTON ROAD ZEBRA	3.0	3.0	0.0	0.0

GLEDHOW LANE JCT THORNE LN OAKWOOD ZEBRA	5.0	5.0	0.0	0.0
KIRKSTALL LN JCT LANGDALE GARDENS ZEBRA	3.0	3.0	0.0	0.0
WESTGATE OTLEY ZEBRA	3.0	3.0	0.0	0.0
FOUNTAIN ST MORLEY OS MORLEY HS ZEBRA	2.1	2.1	0.0	0.0
MOVA DELAY REDUCTION DEVICES	6.0	6.0	0.0	0.0
AGED TRAFFIC CONTROLLER REPLACEMENT	12.0	12.0	0.0	0.0
DDA SIGNAL UPGRADES	7.0	7.0	0.0	0.0
UTMC AND TRAVELLER INFORMATION	5.0	5.0	0.0	0.0
CHAPLETOWN ROAD REVISED PARKING ARRANGEM	8.0	8.0	0.0	0.0
A656 ROMAN ROAD RSS - GARFORTH	10.5	10.5	0.0	0.0
TPP INTEGRATED TRANSPORT PACKAGE	435.4	377.5	75.0	(17.1)
MILL GREEN BRIDGE	14.5	14.5	0.0	0.0
DEWSBURY ROAD NO 2 BRIDGE	25.0	25.0	0.0	0.0
THORPE ARCH PARAPET RAISING	80.0	80.0	0.0	0.0
CSO DEWSBURY ROAD	30.0	30.0	0.0	0.0
BRIDGE ST CONC REPS & IRR RET WALL PH6	662.5	662.5	0.0	0.0
RING ROAD FARNLEY	11.0	11.0	0.0	0.0
VIADUCT ROAD ARCHES PHASE 2	1.0	1.0	0.0	0.0
SPRING VALLEY CRESCENT FOOTBRIDGE PIER	62.5	62.5	0.0	0.0
WOODSIDE BRIDGE	4.0	4.0	0.0	0.0
WOODHOUSE LN CAR PARK SOUTH BRIDGE	15.0	15.0	0.0	0.0
NEW WOODHOUSE LANE NO 4 BRIDGE	15.0	15.0	0.0	0.0
STURDY BECK CULVERT	4.0	4.0	0.0	0.0
POOL BANK CULVERT	4.0	4.0	0.0	0.0
MARSH BECK BRIDGE	1.6	1.6	0.0	0.0
LOW MILL ROAD BRIDGE	4.0	4.0	0.0	0.0
CLARENDON ROAD FOOTBRIDGE	13.0	13.0	0.0	0.0
QUARRY HILL FOOTBRIDGE	13.0	13.0	0.0	0.0
RAWDON CREMATORIUM RETAINING WALL	65.1	65.1	0.0	0.0
REDBECK BR SPANDREL WALL RECON MONITOR	2.4	2.4	0.0	0.0
POTTERY LANE ROTHWELL RETAINING WALL	72.6	72.6	0.0	0.0
BIRDCAGE WALK RETAINING WALL	71.6	71.6	0.0	0.0
RAWDON RAIL MITIGATION MEASURES	3.0	3.0	0.0	0.0
GRIMES DYKE SPANDREL WALL STRENGTHENING	2.0	2.0	0.0	0.0
BALME ROAD BRIDGE NET RAIL TJC3\253	354.0	354.0	0.0	0.0
GELDARD RD BRIDGE FOOTWAY PROTECTION	2.5	2.5	0.0	0.0
INNER RING ROAD TUNNEL PHASE 1	800.0	800.0	0.0	0.0
INNER RING ROAD TUNNEL REFURB PH 2	3,000.0	1,000.0	1,000.0	1,000.0
BRIDGES & STRUCTURES	966.7	966.7	0.0	0.0
LTP MAINT PR SURFACE TREATMENT 11/12	139.4	139.4	0.0	0.0
LTP MAINT UD SURFACE TREATMENT 11/12	263.5	263.5	0.0	0.0
SOUTH PARKWAY SEACROFT	224.2	224.2	0.0	0.0
GLEDHOW VALLEY ROAD - GLEDHOW	65.0	65.0	0.0	0.0
LTP ROAD MAINTENANCE REFURBISHMENT	4,807.9	4,807.9	0.0	0.0
LEEDS ROAD PONTEFRACT ROAD - ARLA	1,058.4	1,000.0	58.4	0.0
HIGHWAYS MAINTENANCE 2012/13	500.0	500.0	0.0	0.0
HIGHWAYS MAINTENANCE FUTURE YRS	7,800.0	7,800.0	0.0	0.0
TRAFFIC MANAGEMENT PROGRAMME	700.0	350.0	350.0	0.0
ST JOHN'S CHURCHYARD	14.7	14.7	0.0	0.0
REGINALD TERRACE PLAY AREA PH 1	2.2	2.2	0.0	0.0
S106 GRSP ENHANCEMENTS TO MEANWOOD PARK	4.7	4.7	0.0	0.0
S106 GRSP ENHANCEMENTS TO BRAMLEY PARK	8.9	8.9	0.0	0.0
ARMLEY MOOR GRSP ENHANCEMENTS	3.4	3.4	0.0	0.0
PEPPER RD RECREATION GROUND	134.0	130.5	3.5	0.0
NEVILLE STREET ENVIRONMENTAL IMPROVEMNTS	80.0	80.0	0.0	0.0
LANDS LANE CENTRAL SQUARE REFURBISHMENT	160.0	160.0	0.0	0.0
KIRKGATE & BOND STREET	25.0	25.0	0.0	0.0
LIBRARIES RFID PHASES 3 AND 4	62.2	62.2	0.0	0.0
NECK AND ARM VIBRATION EQUIPMENT	700.0	300.0	200.0	200.0
MANSION HOUSE PHASE 2 (INTERNAL WKS)	10.0	10.0	0.0	0.0
GARFORTH CEMETERY EXTENSION	30.0	30.0	0.0	0.0
WHARFEMEADOWS PARK: WATER SAFETY	69.7	69.7	0.0	0.0

SHARP LANE LANDSCAPE DEV WKS	750.0	750.0	0.0	0.0
MIDDLETON SPORT IMPROVEMENTS	12.3	12.3	0.0	0.0
WATER SAFETY IN PARKS	265.0	265.0	0.0	0.0
AIREBOROUGH FP WATER SAFETY PHASE 4	10.0	10.0	0.0	0.0
PUDSEY FP59 PHASE 4	5.0	5.0	0.0	0.0
PUDSEY FP 54 PHASE 4	5.0	5.0	0.0	0.0
PUDSEY FP60 PHASE 4	5.0	5.0	0.0	0.0
SYKES WOOD PHASE 4	0.2	0.2	0.0	0.0
YEADON TARN PHASE 4	3.0	3.0	0.0	0.0
MANSION HOUSE PH3 LANDLORD IMPS	60.0	60.0	0.0	0.0
MIDDLETON PARK LANDSCAPE WORKS	490.1	467.4	22.7	0.0
MIDDLETON PK VISITOR C & BANDSTAND	559.0	530.0	29.0	0.0
WEST LEEDS COUNTRY PARK	10.0	10.0	0.0	0.0
EASEL - PRIV PROP ACQ & DEMOLITION ENEHL	582.4	200.0	382.4	0.0
HRA MISC PROPERTY PORTFOLIO	212.6	212.6	0.0	0.0
BECKHILLS PH1-8 H/LOSS & DEM	119.7	119.7	0.0	0.0
SHG ROUND 1 EASEL NEW BUILD	188.8	188.8	0.0	0.0
COUNCIL HOUSING - 25 PROPS OVER 55'S	67.1	67.1	0.0	0.0
EAST LEEDS HOUSEHOLD WASTE SITE	33.0	33.0	0.0	0.0
GAMBLETHORPE HOUSEHOLD WASTE SITE AREA	22.0	22.0	0.0	0.0
GAMBLETHORPE CAPPING MAIN SCHEME	50.0	50.0	0.0	0.0
INSULATION WORK	20.0	10.0	10.0	0.0
TOTAL HEAT - BELLE ISLE TMO - FUTURE	640.0	320.0	320.0	0.0
BOILER REPLACEMENT	200.0	100.0	100.0	0.0
CAPITAL WORK TO TENANTED PROPERTIES	310.9	150.0	160.9	0.0
ADAPTATIONS FOR THE DISABLED	7,758.4	2,631.4	2,688.5	2,438.5
BITMO - VOID REFURBISHMENT	1,300.0	650.0	650.0	0.0
SHELTERED REFURBISHMENT	500.6	500.6	0.0	0.0
WINDOW REPLACEMENT PROGRAMME	635.4	235.4	400.0	0.0
DOOR REPLACEMENT PROGRAMME	622.9	222.9	400.0	0.0
TOTAL HEAT PROGRAMME	33.0	33.0	0.0	0.0
BOILERS PROGRAMME	500.0	100.0	400.0	0.0
DEFECTIVE HOUSING PARENT	1,000.0	500.0	500.0	0.0
COMMUNITY SAFETY PROGRAMME	200.0	100.0	100.0	0.0
PLANNED TENANTED REWIRING PROGRAMME	2,800.0	1,400.0	1,400.0	0.0
ALARMS & LIGHTING PROGRAMME	50.0	0.0	50.0	0.0
RE-ROOFING PROGRAMME	1,944.4	972.2	972.2	0.0
LIFT REPLACEMENT PROGRAMME	2,300.0	1,150.0	1,150.0	0.0
LIFT REPLACEMENT 2010/11	37.0	37.0	0.0	0.0
KITCHENS & BATHROOMS REPLACEMENT PROGRAMME	4,000.0	2,000.0	2,000.0	0.0
ENVIRONMENTAL PROGRAMME	140.0	70.0	70.0	0.0
BATCHED FENCING & GUTTERING PARENT	140.0	70.0	70.0	0.0
ASBESTOS REMOVAL PROGRAMME	1,067.0	477.0	590.0	0.0
RANDOM WORKS / REFERRALS PROGRAMME	500.0	250.0	250.0	0.0
CAPITAL REPAIRS PROGRAMME	300.0	150.0	150.0	0.0
CUSTOMER PRIORITISED REGEN PROGRAMME	400.0	200.0	200.0	0.0
GARAGES PROGRAMME	150.0	50.0	100.0	0.0
ADAPTATIONS FOR THE DISABLED	2,400.0	1,200.0	1,200.0	0.0
DEMOLITIONS - BLENCARN & BROOKLANDS	81.0	81.0	0.0	0.0
VOID REFURBISHMENT PROGRAMME	5,200.0	2,200.0	3,000.0	0.0
DEMOLITIONS PROGRAMME	1,000.0	500.0	500.0	0.0
BRANDER ROAD CONVERSION	86.0	86.0	0.0	0.0
WINDOW & DOORS FUTURE INVESTMENT	600.0	200.0	200.0	200.0
HEATING & ENERGY FUTURE INVESTMENT	1,187.8	1,187.8	0.0	0.0
HEAT LEASE PROGRAMME	1,500.0	500.0	500.0	500.0
REROOFING FUTURE YEARS	600.0	200.0	200.0	200.0
SHELTERED IMPROVEMENTS 2011/12	1,180.0	1,180.0	0.0	0.0
KITCHENS & BATHROOMS FUTURE INVESTMENT	6,000.0	2,000.0	2,000.0	2,000.0
CAPITAL WORK TO TENANTED PROPERTIES	2,274.2	274.2	1,000.0	1,000.0
VOID PROPERTIES REFURBISHMENT	5,595.1	1,595.1	2,000.0	2,000.0
HOMELOSS & DISTURBANCE (PARENT SCHEME)	1,500.0	500.0	500.0	500.0
HEALTH & SAFETY & ALMO IMPROVEMENTS	750.0	250.0	250.0	250.0

WNW HIGH COST VOID PROPERTIES	1,050.0	350.0	350.0	350.0
WNW VOID PROPERTIES	9,660.0	3,220.0	3,220.0	3,220.0
WNW DH WINDOWS & DOORS	3,719.8	1,160.8	1,279.5	1,279.5
11/12 WINDOWS & DOORS - LISTED PROPERTIES	30.4	30.4	0.0	0.0
WNW INSULATION WORKS	150.0	50.0	50.0	50.0
WNW NEW HEATING INSTALLATIONS	3,000.0	1,000.0	1,000.0	1,000.0
ENERGY EFFICIENCY GRANTS	340.0	0.0	340.0	0.0
11/12 SOLID WALL INSULATION	270.0	270.0	0.0	0.0
11/12 STONECLIFFES EXTERNAL WORK	862.8	862.8	0.0	0.0
11/12 5M'S WOODBRIDGES EXTERNAL WORK PH 4	696.8	696.8	0.0	0.0
11/12 WALL FINISH	36.3	36.3	0.0	0.0
11/12 WHOLE HOUSE IMPROVEMENTS - WATERLOOS	2,794.8	1,863.4	931.4	0.0
WNW COMMUNITY SAFETY	50.0	50.0	0.0	0.0
WNW ROOFING	1,887.3	629.1	629.1	629.1
WNW MSF REMEDIAL WORKS	379.0	179.0	100.0	100.0
WNW MSF COMMUNAL AREAS	150.0	50.0	50.0	50.0
WNW SHELTERED HOUSING IMPROVEMENTS	2,269.4	2,269.4	0.0	0.0
WNW KITCH/BATH/REWIRES	6,203.1	2,067.7	2,067.7	2,067.7
WNW ENVIRONMENTAL WORKS	240.0	80.0	80.0	80.0
AREA PANEL SCHEMES	200.0	200.0	0.0	0.0
WNW REWIRING	900.0	300.0	300.0	300.0
WNW MSF LIFT REPLACEMENT	600.0	200.0	200.0	200.0
WNW GARAGES	75.0	25.0	25.0	25.0
WNW GAS CONTRACT CAPITALISATION	2,664.0	888.0	888.0	888.0
WNW ISOLATED CAPITAL WORKS	751.5	250.5	250.5	250.5
WNW ACCESS WORKS	97.1	97.1	0.0	0.0
WNW SERVICE DELIVERY IMPROVEMENTS	1,500.0	500.0	500.0	500.0
WNW ADAPTATIONS WORKS	8,100.0	2,700.0	2,700.0	2,700.0
CORPORATE PROPERTY MANAGEMENT PROGRAMME	5,525.7	1,101.6	2,199.1	2,225.0
MERRION HOUSE CONCRETE CLADDING	26.7	13.4	13.3	0.0
BECKETT PARK BUILDING - REFURBISHMENT	122.6	110.0	12.6	0.0
FIRE RISK & ASBESTOS REMOVAL CPM BUILDINGS	563.9	563.9	0.0	0.0
Sub-Total	192,636.9	106,475.8	59,401.6	26,759.5

Investing in major infrastructure

NEW GENERATION TRANSPORT & FLOOD ALLEVIATION	27,547.1	2,000.0	4,500.0	21,047.1
SOLAR PHOTOVOLTAIC PANELS CORPORATE	260.0	260.0	0.0	0.0
GRANTS TO METRO (NGT)	2,535.0	2,535.0	0.0	0.0
RAMSDEN STREET KIPPAX FLOOD ALLEVIATION	75.0	75.0	0.0	0.0
LEEDS INNER RING RD STAGE 7	1,168.9	300.0	300.0	568.9
A65 QUALITY BUS INITIATIVE	3,101.1	2,212.1	589.0	300.0
EAST LEEDS LINK M1-A1 MOTORWAY LINK	600.0	600.0	0.0	0.0
BURLEY ROAD INT TRANSPORT CORRIDOR	29.3	29.3	0.0	0.0
COMBINED HEAT AND POWER PLANT YARN ST	42.5	42.5	0.0	0.0
Sub-Total	35,358.9	8,053.9	5,389.0	21,916.0

Supporting service provision

LEARNING DISABILITIES	3,008.6	1,500.0	1,000.0	508.6
TELECARE PROGRAMME	1,900.2	700.1	700.1	500.0
ADAPTATIONS TO PRIVATE HOMES	800.0	400.0	400.0	0.0
ADULT SERVICES SERVICE IMPROVEMENTS	413.1	413.1	0.0	0.0
VEHICLE PROGRAMME	3,540.0	3,540.0	0.0	0.0
CONTINGENCY SCHEME	3,709.5	3,400.0	309.5	0.0
PFI DEVELOPMENT COSTS	1,375.0	825.0	550.0	0.0
CHANGING THE WORKPLACE G 1 & 2	583.0	583.0	0.0	0.0
GENERAL CAPITALISATION	7,000.0	3,500.0	3,500.0	0.0
COCKBURN BSF	270.0	270.0	0.0	0.0
BSF PH1 HIGHWAYS WKS-ALLERTON GRANGE	15.7	15.7	0.0	0.0
BSF PH1 HIGHWAYS WKS-TEMPLE MOOR	9.6	9.6	0.0	0.0
TEMPLE MOOR BSF	50.0	50.0	0.0	0.0
AUTHORITY WORKS BSF	100.0	100.0	0.0	0.0

FARNLEY PARK BSF PH2	2,307.5	2,307.5	0.0	0.0
AUTHORITY WORKS BSF PH2	100.0	100.0	0.0	0.0
DESIGN DEVELOPMENT BSF PH2	50.0	50.0	0.0	0.0
CORPUS CHRISTI BSF PH3	1,973.1	1,973.1	0.0	0.0
BSF PH3 HIGHWAYS WKS-CORPUS CHRISTI	54.0	54.0	0.0	0.0
MOUNT ST MARYS BSF PH3	3,035.7	2,735.7	300.0	0.0
AUTHORITY WORKS BSF PH3	300.0	300.0	0.0	0.0
ASBESTOS REMOVAL BSF PH3	21.8	21.8	0.0	0.0
BSF WAVE 1 ICT - D&B SCHOOLS	3,000.0	3,000.0	0.0	0.0
BSF WAVE 1 ICT-LEEDS EAST ACADEMY	1,196.3	880.0	316.3	0.0
AUTHORITY WORKS - BSF PH4	100.0	100.0	0.0	0.0
WEST LEEDS ACADEMY - BSF PH4	1,000.0	1,000.0	0.0	0.0
LEEDS EAST ACADEMY (PARKLANDS) BSF PH5	9,615.2	7,817.6	1,559.1	238.5
ACCESS EQUIPMENT	15.0	15.0	0.0	0.0
PRIMARY CAPITAL PROGRAMME (PCP)	1,400.0	1,400.0	0.0	0.0
GILDERSOME PRIMARY PCP	1,362.9	1,273.9	89.0	0.0
GREENHILL PRIMARY PCP	1,059.9	969.0	90.9	0.0
OULTON PRIMARY PCP	1,759.2	1,649.4	109.8	0.0
SS PETER & PAUL RC PRIMARY PCP	286.3	214.7	71.6	0.0
RICHMOND HILL PRIMARY PCP	5,344.7	5,105.9	238.8	0.0
SWILLINGTON PRIMARY PCP	372.5	279.9	92.6	0.0
BASIC NEED - PRIMARY EXPANSIONS 2010	2,000.0	1,000.0	1,000.0	0.0
BASIC NEED - PRIMARY EXPANSIONS 2011	100.0	100.0	0.0	0.0
BLACKGATES PS - MODULAR	12.0	12.0	0.0	0.0
BLACKGATES PS - REMODELLING	3.0	3.0	0.0	0.0
BASIC NEED 2011 - BRUDENELL -REMODELLING	52.0	52.0	0.0	0.0
EBOR GARDENS PS - REMODELLING	9.0	9.0	0.0	0.0
FEATHERBANK -S - MODULAR	11.0	11.0	0.0	0.0
BASIC NEED 2011 -FARSLEY FARFIELD PH1	5.5	5.5	0.0	0.0
NEWLAIthes PS MODULAR EXTENSION	36.0	36.0	0.0	0.0
BASIC NEED PH2 - INGRAM ROAD-MODULAR	16.0	16.0	0.0	0.0
BASIC NEED PH2 - IRELAND WOOD-MODULAR	35.0	35.0	0.0	0.0
BASIC NEED 2011-VALLEY VIEW P-REMOD.	6.5	6.5	0.0	0.0
WHITKIRK PRIMARY BASIC NEED & ACCESS	13.3	13.3	0.0	0.0
BASIC NEED 2012 -BRACKEN EDGE	884.9	861.9	23.0	0.0
BASIC NEED 2012-CARR MANOR	1,795.0	1,683.0	112.0	0.0
BASIC NEED 2012 - ROUNDHAY PS	3,212.6	3,007.2	205.4	0.0
BASIC NEED 2012-WYKEBECK PS	1,452.2	1,412.2	40.0	0.0
BARDSEY PRIMARY - ROOFING WORKS	4.0	4.0	0.0	0.0
BASIC NEED PROVISION 2011-12 to 2013-14	30,818.5	15,818.5	15,000.0	0.0
UTMC ENHANCEMENT AND RELOCATION	2,321.0	2,321.0	0.0	0.0
MIDDLETON LC CHANGING ROOM REFURB	701.5	628.0	73.5	0.0
CEMETERY EXTENSIONS - CITYWIDE	375.0	275.0	100.0	0.0
WHINMOOR CEMETERY EXTENSION	313.7	281.6	32.1	0.0
CREMATORIA MERCURY ABATEMENT	1,254.9	554.9	700.0	0.0
RAWDON MERCURY ABATEMENT FEES	750.6	676.8	73.8	0.0
DISABLED FACILITIES GRANTS	13,000.0	6,500.0	6,500.0	0.0
BIN REPLACEMENT PROGRAMME	1,635.8	435.9	435.9	764.0
STREET LITTER BINS	79.3	79.3	0.0	0.0
RECYCLING IMP PLAN - SORT	300.0	300.0	0.0	0.0
ROLL OUT OF GARDEN EXPANSION	527.8	527.8	0.0	0.0
CAPITALISATION OF SALARIES	953.4	472.0	481.4	0.0
Sub-Total	119,808.3	83,692.4	34,104.8	2,011.1

Investing in new technology

ICT STAFF COSTS	47.9	47.9	0.0	0.0
ADULT SOCIAL CARE MGT SYSTEM	64.2	64.2	0.0	0.0
ADULT SOCIAL CARE BUSINESS SYSTEMS REQUIREMENTS	4,500.0	4,500.0	0.0	0.0
EDRM DOCUMENT AND RECORD MANAGEMENT	2,101.0	2,101.0	0.0	0.0
WEB AND INTRANET REPLACEMENT	180.7	180.7	0.0	0.0
ESSMSS EMPLOYEE MANAGERS SELF SERVICE	367.5	250.0	117.5	0.0

IT MODEL OFFICE (IMMERSION EXPERIENCE)	30.5	30.5	0.0	0.0
GREAT GEORGE STREET - TECHNOLOGY COSTS	194.4	194.4	0.0	0.0
NON PROPERTY COSTS TO G 1 & 2 TECHNOLOGY	229.1	229.1	0.0	0.0
IT PROPERTY COSTS	257.0	257.0	0.0	0.0
ICT FUNDING-8 PFI SECONDARY SCHOOLS	3,000.0	3,000.0	0.0	0.0
CHILDRENS SOCIAL CARE MANAGEMENT SYSTEM	2,962.9	2,329.1	633.8	0.0
ICT STAFF CHARGES	1,410.0	1,030.8	379.2	0.0
ICT EXTERNAL COSTS	261.2	261.2	0.0	0.0
ICT ESSENTIAL SERVICE PROGRAMME	2,400.0	1,200.0	1,200.0	0.0
WAN/VPN - CONCENTRATORS CAPACITY UPLIFT	40.0	40.0	0.0	0.0
USER DEVICE HARDWARE REFRESH	200.0	200.0	0.0	0.0
UPGRADE EDGE NETWORK COMPONENTS	250.0	250.0	0.0	0.0
NOVELL MIGRATION TO MICROSOFT	350.0	350.0	0.0	0.0
SECURITY INCIDENTS AND EVENT MANAGEMENT	200.0	200.0	0.0	0.0
UNIFIED COMMS CORPORATE TELEPHONY	1,000.0	1,000.0	0.0	0.0
UNIX SERVER REPLACEMENT	1,400.0	1,400.0	0.0	0.0
VIRTUALISATION FOR ONLINE APPLICATIONS	80.0	80.0	0.0	0.0
IT DEVELOPMENTS EQUIPMENT FUND	2,296.1	594.5	875.0	826.6
PROJECT DEVELOPMENT	3,085.5	967.7	2,117.8	0.0
Sub-Total	26,908.0	20,758.1	5,323.3	826.6

Supporting the Leeds economy

TOWN & DIST REGEN - CONTINGENCY	134.9	134.9	0.0	0.0
LEEDS ARENA	44,988.6	36,613.4	1,022.3	7,352.9
WOODHOUSE LANE CAR PARK (ARENA)	3,446.1	3,118.0	328.1	0.0
HANGZHOU GATE OF FRIENDSHIP	200.0	200.0	0.0	0.0
LOWFIELDS ROAD - ELLAND ROAD MASTER PLAN	500.0	0.0	0.0	500.0
SOVEREIGN STREET DEVELOPMENT LAND	70.0	70.0	0.0	0.0
MIDDLETON ENTERPRISE CENTRE- LEGI SCH	54.4	54.4	0.0	0.0
CHAPELTOWN ENTERPRISE INVESTMENT - LEGI	150.0	150.0	0.0	0.0
BUSINESS GROWTH FUND - LEGI	180.0	180.0	0.0	0.0
KIRKGATE MARKET	300.0	300.0	0.0	0.0
CITY VARIETIES - MAIN SCHEME	242.0	242.0	0.0	0.0
ANDREWS STREET FARSLEY T&DC	14.6	14.6	0.0	0.0
ARMLEY THI UNCOMMITTED GRANTS	903.3	560.2	343.1	0.0
CHAPELTOWN THI UNCOMMITTED GRANTS	763.4	410.3	353.1	0.0
LOWER KIRKGATE REGENERATION THI	645.0	0.0	62.3	582.7
FREE HOME INSULATION PROGRAMME	1,000.0	1,000.0	0.0	0.0
AFFORDABLE HOUSING (AHSP) HRA	2,423.4	2,423.4	0.0	0.0
ECONOMIC INITIATIVES	15,000.0	5,000.0	5,000.0	5,000.0
Sub-Total	71,015.7	50,471.2	7,108.9	13,435.6

Overall Total

445,727.8	269,451.4	111,327.6	64,948.8
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Report of the Head of Scrutiny and Member Development

Report to Scrutiny Board (Sustainable Economy and Culture)

Date: 26 January 2012

Subject: Scrutiny Board Inquiry Session 2 – Inquiry into how developments in Leeds are bringing skills, training and jobs to local people.

Are specific electoral Wards affected? If relevant, name(s) of Ward(s):	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Are there implications for equality and diversity and cohesion and integration?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Is the decision eligible for Call-In?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Does the report contain confidential or exempt information? If relevant, Access to Information Procedure Rule number: Appendix number:	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

Summary of Main Issues

1. At its meeting on 16th June 2011, the Sustainable Economy and Culture Scrutiny Board discussed the employment and training opportunities the many developments taking place in the City could provide the people of Leeds. As a result of these discussions the Board agreed to undertake an Inquiry into how the City Council, either as a developer, enabler or purchaser could promote, influence and create local employment and promote training opportunities. The Board also wanted to explore how the obstacles to linking local people to development jobs, such as, the cost of training and procurement law and practice could be removed.

Purpose of this report

2. During session 2 of the inquiry The Board is asked to consider two reports, the first being how employment and training opportunities can be delivered though the Council's planning function. The second report examines the potential available to Leeds City Council to influence and create employment and skills opportunities through procurement activities.

Recommendations

3. Members are asked to:

- Note the information contained within the two reports and consider the recommendations specified in both.

Background documents

4. None

Report of the Director of City Development and the Director of Environment and Neighbourhoods

Report to Scrutiny Board (Sustainable Economy and Culture)

Date: 26 January 2012

Subject: Delivering employment and training opportunities through the Council's planning functions

Are specific electoral Wards affected? If relevant, name(s) of Ward(s):	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Are there implications for equality and diversity and cohesion and integration?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Is the decision eligible for Call-In?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Does the report contain confidential or exempt information? If relevant, Access to Information Procedure Rule number: Appendix number:	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

Summary of main issues

1. This report provides an update on the information provided to the Board at their meeting in October 2011 which highlighted a number of developments where the use of S106 obligations had secured employment and training opportunities for local people and supply chain opportunities for businesses.
2. The report identifies how this approach will be maintained and strengthened through closer working between relevant services and the early engagement of developers.

Recommendations

3. Members of Scrutiny Board are asked to:-
 - (i) note the planned work to support the dissemination of information and closer working between services and the early engagement of developers.

1 Purpose of this report

- 1.1 This report provides an update on the information presented to Scrutiny Board in October which included information on the use of Section 106 agreements to support local employment and training objectives and supply chain benefits.
- 1.2 The report includes an update on the changing policy and legal context and the proposed approach moving forward.
- 1.3 The report also includes information on communicating information on proposed approach to staff and to developers.

2 Background information

- 2.1 The Scrutiny Board established an inquiry into how the Council uses its procurement and planning function as an enabler of locally driven, sustainable economic growth that benefits both local people and businesses.
- 2.2 The report to the October meeting of the Board identified the key mechanisms through which developers and contractors are engaged and provided several examples of where these had and are being pursued to deliver employment, skills training and supply chain opportunities.

3.0 The revised policy and legal context

- 3.1 Local authorities, as part of their planning development management function, can request contributions, either financial or in kind, through planning obligations for measures directly related to a development. This arrangement derives from S.106 of the Town & Country Planning Act 1990. The Government believes that planning obligations should only be sought where they are required to make a proposal acceptable in land use planning terms.
- 3.2 The Government's policy in respect of planning obligations (as set out in Circular 05/2005) has been well established for some time. It requires planning obligations to be:
 - relevant to planning
 - necessary to make the proposed development acceptable in planning terms
 - directly related to the proposed development
 - fairly and reasonably related in scale and kind to the proposed development
 - reasonable in all other respects
- 3.3 A new planning charge; the Community Infrastructure Levy (CIL) came into force on 6 April 2010. CIL allows planning authorities to raise funds from developers undertaking new building projects in their area to be used towards the provision of 'infrastructure' needed to support the development of the area. Infrastructure is given a wide definition, including transport, flood defences, hospitals and other community facilities. Importantly for the purposes of this report, the CIL levy is not intended to relate to the provision of services or training or employment opportunities which remain to be considered through the use of planning obligations.

- 3.4 In order to ensure that planning obligations and the levy can operate in a complementary way, the CIL Regulations place limitations on the use of planning obligations in certain respects, some of which are outside the scope of this report. Of relevance, the CIL Regulations have put the Government's policy tests on the use of planning obligations (see para 3,2 above) on a statutory basis. Therefore a planning obligation may only constitute a reason for granting planning permission for the development if the obligation is
- necessary to make the development acceptable in planning terms;
 - directly related to the development; and
 - fairly and reasonable related in scale and kind to the development.

This does not alter the legal position that a developer and local authority can enter into a planning agreement to secure objectives regarded as desirable for the area, whether or not they are necessary to strengthen the planning case for a particular development.

- 3.5 The use of planning obligations to secure employment and training opportunities is a well embedded approach, and is encouraged and supported by the Government. When launching the introduction of CIL and reforms to planning obligations in March 2010, the then Planning Minister, John Healey made it clear that he was looking to councils to follow the best examples of those authorities who used planning obligations to support local skills, training and apprenticeship schemes.

4.0 Maintaining the current position

- 4.1 We aim to continue the current practice in Leeds to work with developers that have the desire and willingness to do so e.g. Tesco, Hammersons, Land Securities. Employment and training obligations will be included in S106 agreements and developers and the occupiers of the development will continue to be required to make "reasonable endeavours" to employ local people during the construction phase and end uses. The Employment Leeds team will then support the developer and or occupiers to draw up an Employment and Skills Plan which quantifies the number and type of employment and training opportunities that can be accessed by local people and the support to be provided by local agencies through public funds to enable this.
- 4.2 The approach is more likely to be effective if it is raised at an early stage with developers or employers and officers work with them to promote the joint benefits of an agreement. Employment Leeds is confident in its ability to successfully provide developers and end users with high quality candidates in a number of sectors and has significant experience in recruitment to the areas of construction, retail, hospitality, health and social care. These sectors are more likely to have the higher volume of 'entry level' positions.
- 4.3 To promote a consistent approach, the requirement to produce an Employment and Skills plan will be triggered only on those schemes with the potential to provide a significant impact in terms of employment and training opportunities

during construction or in end uses without placing an unnecessary burden on the developer. The following thresholds will guide this process:-

- Retail developments of over 2,000m²
- Residential developments of over 250 units
- Construction sites over 10,000m².

5.0 Implementation and supporting activity

- 5.1 Nominated officers from Employment Leeds and the Planning Service will work together to identify the planning applications that meet the criteria in paragraph 4.4. Where Planning officers meet with developers at a pre-application stage and the development meets the criteria, Employment Leeds officers will be invited to take part in the pre-application meeting.
- 5.2 The above work will need to be supported by a closer relationship between Planning service and Employment Leeds. This will be achieved by establishing more structured communication processes and through staff training. This will commence with a presentation on employment and training services and the proposed new approach to the Planning service case workers meeting in early February.
- 5.3 Subject to discussions, the developer and Employment Leeds will agree an Employment Action Plan which seeks to secure jobs and training in the construction phase and end use and monitor the implementation of the action plan. The agreement will contain standard wording wherever possible. The draft model agreement is attached at appendix 1 for information. A guide for developers will be produced outlining the obligation, roles and responsibility of the council and developer and the steps involved in producing an employment action plan. This will be provided to developers at the earliest possible stage in the process.

6.0 Corporate Considerations

6.1 Consultation and Engagement

- 6.1.1 The next meeting of the Leeds Planning and Developers Forum to be held on 24 January 2012 will include a presentation and the opportunity for discussion on employment and skills obligations and the support that can be provided through Employment Leeds.

6.2 Equality and Diversity / Cohesion and Integration

- 6.2.1 Evidence from the last recession and the current data indicates that increased unemployment has disproportionately impacted on those neighbourhoods with the highest levels of claimants. Targeted support to enable those seeking skills training and paid work will reduce the benefit claim period, help local people develop the skills to secure, stay and progress in work and improve their lives. Employment and skills obligations should include minimum levels to be achieved and be targeted to specific communities and claimant groups as well as cohorts of young people engaged in employability and skills programmes.

6.3 Council policies and City Priorities

- 6.3.1 The existing activity and proposed approach will contribute to the achievement of targets in both the Sustainable Economy and Culture Partnership and the Children and Young People's City Priority Plans. The proposed activity will contribute to increasing the skill levels of local people required by businesses in the City and by increasing the number of people in employment, apprenticeships and learning.

6.4 Resources and value for money

- 6.4.1 The proposed policy framework and toolkit can be developed and implemented within the Council's existing resources.

6.5 Legal Implications, Access to Information and Call In

- 6.5.1 Activity to secure employment and skills obligations must comply with and not contravene the legislative framework and guidance issued by the Secretary of State on the use of Planning Obligations.

Risk Management

- 6.5.1 A risk management assessment will be undertaken as part of the feasibility work to develop these proposals. The impact of introducing employment and skills obligations on developers will need be considered over the short, medium and long term and in the context of prevailing economic conditions; the strength of targeted sectors within the economy; and the need to balance any gains with the need to encourage continued investment in Leeds.

7.0 Conclusions

- 7.1 As reported at the first session of the inquiry, employment, training and supply chain benefits have been secured on a number of developments to date through the use of S106 agreements. It is planned to continue this approach and to seek to more effectively target the approach to those developments with significant employment generating potential during construction and in end uses. This work will be supported by close working between services and early engagement with developers.

8.0 Recommendations

- 8.1 Members of Scrutiny Board are asked to:-

(i) note the planned work to support the dissemination of information and closer working between services and the early engagement of developers.

9.0 Background documents

- 9.1 There are no background documents.

Appendix 1

Employment and Skills Model Clauses for inclusion in a S106 Agreement

Clause 1.

From the start of the tendering process for the construction of the Development and throughout the period when the Development is under construction to use (or procure that its building contractor uses) its reasonable endeavours to co-operate and work closely with Employment Leeds (the Employment and Skills Service of the Council) to develop an Employment and Training scheme to promote employment opportunities for Local People during the construction works.

Clause 2

To include in any building contract for the said construction works the following obligations on the main contractor:

- to use its reasonable endeavours to employ local contractors and sub contractors and Local People in the said construction works;
- to consult with Employment Leeds with a view to identifying procedures to facilitate the appointment of contractors and sub contractors and Local People in the said construction works;
- prior to the commencement of the said construction works to use reasonable endeavours to agree with Employment Leeds a method statement to facilitate the appointment of sub-contractors and Local People in the said construction works;

Provided that nothing in this clause shall require the Owner (or its building contractor as the case may be) to do or refrain from doing anything which would be contrary to prudent business practice.

Clause 3 To use reasonable endeavours to procure that the Occupiers of the relevant parts of the Development:

- work with Employment Leeds and agree a method statement identifying the number and types of employment and training opportunities that can be accessed by Local People within such part of the Development and the resources needed to deliver the same;

- provide to Employment Leeds on a 6 monthly basis details of the recruitment and retention of Local People as employees within such part of the Development and the training in place for apprentices and the existing workforce by reference to national industry standards;
- provide Employment Leeds and partners identified by Employment Leeds with details of any employment vacancies that are created within such part of the Development, to be provided by way of a monthly updated list of current vacancies;

Provided that nothing in this clause 11.3 shall require the Owner (or an Occupier as the case may be) to do or refrain from doing anything which would be contrary to prudent business practice.

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Report of Chief Procurement Officer

Report to Scrutiny Board (Sustainable Economy and Culture)

Date of meeting: 26th January 2012

Subject: Inquiry into how developments in Leeds are bringing skills, training and jobs to local people.

Are specific electoral Wards affected? If relevant, name(s) of Ward(s):	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Are there implications for equality and diversity and cohesion and integration?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Is the decision eligible for Call-In?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Does the report contain confidential or exempt information? If relevant, Access to Information Procedure Rule number: Appendix number:	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

Summary of main issues

1. The report examines the potential available to Leeds City Council to influence and create employment and skills opportunities through the procurement activities that it undertakes.
2. It also examines the existing and emerging legislation that controls the council's ability to create such opportunities through its contracts.
3. The report identifies the council's current practice in relation to the inclusion of employment and skills provisions in its contracts.
4. It also considers the effects on value for money and risk should the council decide to implement policy to include these provisions more widely.

Recommendations

1. A recently launched guide produced by the Local Government Association called 'Buying into communities – Jobs, skills and business opportunities from council contracts' will be made available to elected members and senior officers via the council's intranet in an effort to equip them with the knowledge to provide leadership to the delivery of community benefit through procurement.
2. The development of a toolkit, including guidance and training, to ensure all necessary factors are appropriately addressed, and relevant legislation complied

with when assessing the employment and skills opportunities suitable for particular contracts.

3. It is recommended that employment and skills opportunities should be assessed for every contract valued in excess of £100,000 and included in the tender documents where appropriate.

1 Purpose of this report

- 1.1 This report aims to assist the Sustainable Economy and Culture Scrutiny Board in their inquiry into bringing skills, training and jobs to local people through the specific vehicle of the council's contracting activities. This will be done by identifying methods through which such opportunities can be created that are within the relevant legislative framework, but do not have a damaging effect on value for money to the council.

2 Background information

- 2.1 Procurement is defined as 'the process of acquiring goods, work and services, covering both acquisitions from third parties and from in-house providers. The process spans the whole cycle from identification of needs through to the end of a services contract or the end of the useful life of the asset'.
- 2.2 The council spent in excess of £700 million during 2010-11 on the procurement of goods, works and services as diverse as stationery, vehicles, construction, legal services and social care, and currently is in contract with 1,400 different suppliers.
- 2.3 Public procurement in the UK and EC member states is subject to significant regulatory control. European legislation is set out in two ways, Articles of Treaties which set out matters of general principle which member states must observe, and Directives which are detailed procedures to ensure the treaties are implemented. The Directives are then implemented in local law by member states in the form of regulations, currently enacted in the UK as the Public Contract Regulations 2006.
- 2.4 The purpose of public procurement rules is to open up the market and to ensure free movement of supplies, services and works within the EU in a manner which is non-discriminatory against member states.
- 2.5 There is a widely held belief amongst practitioners in member states that these regulations are a barrier to the inclusion of 'social' conditions in contracts.

3 Main issues

- 3.1 The Public Contract Regulations are based on the fundamental European Law principles of :
 - Equal treatment and non-discrimination
 - Transparency
 - Proportionality and
 - Mutual recognition

- 3.2 Historically the guidance as to whether the inclusion of ‘social outcomes’ in public contracts was lawful has ebbed and flowed in its opinion. An express restriction on considering ‘workforce matters’ in awarding contracts was first introduced in the Local Government Act 1988 which provided in section 17 that consideration of ‘the terms and conditions of employment by suppliers of their workers or the composition of the arrangements for the promotion, transfer or training of or other opportunities afforded to their workforce’ was unlawful. This restriction has since been removed to the extent that such matters are ‘relevant to the delivery of best value or for the purposes of a TUPE transfer’. There then followed comprehensive guidance on protection of employment and pension rights following TUPE transfers.
- 3.3 In 1998 HM Treasury advised that it was ‘not consistent with value for money policy for public purchasing power to be used to pursue other aims’, although this was contradicted later when the OGC/DETR’s paper ‘Environmental Issues in Purchasing’ observed that operational and policy objectives were part of a users needs, and therefore did form part of the ‘value for money’ decision process. However, they then confused matters by stating that ‘departments should not seek to use their purchasing power to pursue wider environmental ends’, and specifically that criteria or conditions which are not directly relevant to the product or service should not be used.
- 3.4 Since the publication of the 2006 Regulations the position is significantly clearer. Regulation 39 states that a contracting authority may stipulate conditions relating to the performance of a public contract provided that those conditions are compatible with Community law and are indicated in the contract advertisement and/or the contract documents. Those conditions may include social and environmental considerations. Further clarification is provided at paragraph 33 of Directive 2004/18/EC on the coordination of procedures for the award of public contracts which states that contract performance conditions “may, in particular, be intended to favour on-site vocational training, the employment of people experiencing particular difficulty in achieving integration, the fight against unemployment or the protection of the environment. For instance, mention may be made, amongst other things, of the requirements –applicable during performance of the contract- to recruit long-term job-seekers or to implement training measures for the unemployed of young persons....”
- 3.5 If they are to be lawful, those conditions must be contained in the technical specification of the contract, and Regulation 9(4) requires that any ‘technical specification’ defining the characteristics of the product, works or services must provide equal access to all potential suppliers, and does not create unjustified obstacles to the opening up of procurement to competition.
- 3.6 Furthermore, Regulation 30 sets out that contracts may be awarded on one of two bases, lowest price or most economically advantageous tender (MEAT), and shall use only ‘criteria linked to the subject matter of the contract’ to determine the offer that is the most economically advantageous. In other words, the criteria for evaluation of tenders must relate to something that is specified in the tender documents.

3.7 The current rules can be summarised in broad terms as follows:

- Any requirements must be related to the subject matter of the contract
- Authorities can pass on, where relevant, obligations they have under legislation (for example Equality requirements)

However the following are generally prohibited:

- Requirements which cannot be justified in public expenditure terms
- Matters not relevant to the subject matter of the contract
- Discrimination on the basis of nationality or locality
- A requirement to provide specific 'local' employment or other opportunities

In circumstances where the Public Contract Regulations do not apply, either in full or in part, the principles of EU law set out in 3.1, and the council's contract procedure rules, must still be observed, which will result in the same approach as described above.

3.8 Where a requirement is not being included due to a legal obligation, the authority will require a policy mandate for including them. This is addressed further in paragraph 4.3 of this report.

3.9 Whilst there has been clear provision in regulations to incorporate social benefit into public contracts since 2006, and guidance available in the form of the 'Sustainable Procurement Action Plan' (2007) and the 'National Procurement Strategy' (2003), by the time of the final report on the National Strategy in 2008, only 28 per cent of councils included issues of community well-being in their service contracts, 23 per cent in works contracts and 13 per cent for goods. This picture is mirrored across EU states where research suggests only 6.8 per cent of sustainable procurement initiatives relate to social sustainability. The vast majority of effort has been directed to environmental sustainability.

3.10 Leeds City Council does not currently have a policy for including employment and skills opportunities within its contracts. However over the past five years many of its high profile contracts have included these provisions, for example, housing repairs and improvements, the construction of Leeds Arena, the Building Schools for the Future programme, Little London, Beeston Hill and Holbeck projects, and through the YORbuild framework refurbishment of Woodhouse Lane car park, Morley Town Hall and Middleton Park Visitor Centre. Provision was also made in the recently awarded Grounds Maintenance contract.

3.11 Members of the Scrutiny Board should note the Public Services (Social Value) Bill, currently being processed through parliamentary committee stages before becoming law in 2012. The bill will require that authorities consider how they may promote or improve the economic, social or environmental well-being of an area by means of a service contract.

3.12 The lack of clarity and frequent change in guidance and legislation, together with a concern that employment and skills clauses will have an inflationary effect on contracts, has led to many practitioners deciding not to include these initiatives as part of their tender process.

- 3.13 In order for this approach to be effective, it is critical that practitioners have sufficient guidance available to assist them in incorporating the requirement for employment and skills opportunities into contracts lawfully, and then follow that up with monitoring the outputs during the contract management period, as with any other deliverable.
- 3.14 In addition, it is critical that active support is given to the proposals at elected member and senior officer level.

4 Corporate Considerations

4.1 Consultation and Engagement

4.1.1 In preparing this report, consultation has been held with Employment Leeds in their role of supporting business in developing their workforce, to ensure that the recommendations are satisfactory and practical.

4.1.2 The report has been discussed at the management teams of Procurement Unit and Public Private Partnerships Unit.

4.1.3 Key suppliers will also be consulted prior to the drafting of the Employment and Skills through Procurement Toolkit.

4.2 Equality and Diversity / Cohesion and Integration

4.2.1 The recommendations enhance the possibility of creating economic inclusion through access to employment and skills opportunities.

4.3 Council Policies and City Priorities

4.3.1 These proposals represent a contribution to 'Using spending for wider outcomes' (Council Business Plan) 'Create more jobs, improve skills' (Sustainable Economy and Culture City Priorities Plan) and 'Provide education and training to help more people achieve their potential' (Vision for Leeds).

4.3.2 In addition, sustainable procurement is part of the 'Improvement' strand of the council's 2011-15 procurement strategy.

4.3.3 These policy references create the authority to enable the council to include employment and skills requirements in their contracts referred to in 3.9.

4.4 Resources and Value for Money

4.4.1 It is anticipated that some cost will attach to the council for the inclusion of employment and skills opportunities into contracts, for example in developing training material and contract management of the outputs.

4.4.2 It is not always the case that this approach significantly increases the contract price. Some activities, such as school and college visits and workshops and work experience, will be willingly provided under the auspices of supplier's corporate social responsibility activities. Others may attract external funding as in the case of some apprenticeships.

4.4.3 A recent academic study conducted on the employment outputs of the YORbuild construction framework in Yorkshire and Humber estimated £1.5m of social and economic value was generated without a negative effect on cost through the employment of almost 200 apprentices and workless people.

4.4.4 A further study using similar methodology conducted on behalf of Manchester City Council into the benefits achieved through the 'Manchester People into Construction' programme, found that during the three years of the programme, which placed residents into apprenticeships with organisations delivering the city's capital programme, that for every £1 invested in such activities, a return of £4.74 in social and economic value is achieved.

4.4.5 According to research by the Warwick Institute for Employment Research, apprenticeships provide value to employers in that they provide a succession plan for ageing workforces, increase employee loyalty, enhance the company's reputation and provide the foundation to develop future managers thereby enabling continuing workforce development.

4.4.6 Although this requires investment from the employer, it was found that the costs of employing apprentices, including training, supervision and reduced productivity, are recovered in a maximum of four years for those in social care and only two years in construction and business administration.

4.4.7 In future, a cost assessment, taking the above factors into account, will need to be conducted on each occasion before finalising the level of outputs that can be accommodated in any individual contract to ensure appropriate value for money.

4.5 Legal Implications, Access to Information and Call In

4.5.1 By virtue of the relevance of the recommendations to the aspects of council policies and priorities set out above, it is lawful for them to be accepted.

4.5.2 Providing relevant legislation is observed in the manner set out above, the legal implications of such a course of action are limited.

4.6 Risk Management

4.6.1 There is a risk of procurement challenge if the process is not managed in accordance with the guidance in 3.7.

4.6.2 There is a risk that the contract price may increase, and this must be managed in accordance with the guidance in 4.4.7.

4.6.3 In the case of young people participating in work experience and placements, the educational establishment sponsoring their placement and the contractor providing it should conduct a thorough risk assessment before the placement commences.

5 Conclusions

5.1 Provision of employment and skills is an integral part of many existing council policies, and this provides initial legal authority for their inclusion in council contracts.

- 5.2 By examination of current Public Contract Regulations, it is clear that it is lawful to include 'social considerations' in public contracts, providing they are clearly stipulated in the contract documents and are not discriminatory. This means for example that a requirement for a bidder to have local knowledge of the labour market or a local base would be discriminatory and not permitted, however a more general requirement to offer employment and skills would not necessarily be unlawful.
- 5.3 These considerations can then form part of the evaluation criteria for assessing the most economically advantageous tender provided they are linked to the subject matter of the contract.
- 5.4 There may be some additional cost to the council for including these requirements in a contract, but this is best assessed on a tender-by-tender basis as in some cases costs are likely to be modest or capable of being funded through grants.
- 5.5 There are pockets of best practice that exist now, although no explicit council policy or guidance as to how to incorporate employment and skills requirements into contracts currently exists, which is limiting knowledge within the authority.
- 5.6 Due to the wide range of products, works and services referred to earlier in this report, a flexible approach to employment and skills requirements in contracts is required to ensure maximum effect. A 'one size fits all' approach would not achieve this.
- 5.7 To enable officers to assess the suitability of a contract to provide employment and skills opportunities, a toolkit is required which will provide guidance and template documents covering the following aspects of the process;
- Advertising
 - Pre qualification questionnaires
 - Contract terms and specifications
 - Tender evaluation
 - Contract management
 - Post contract review

To ensure maximum flexibility and effect, the toolkit will include a range of activities which support employment and skills development, including school/college workplace visits, entry level skills, work experience, new apprenticeships and employment as well as continuing skills development and safeguarding for existing staff.

- 5.8 Design of the toolkit will have regard to consultation with significant current suppliers, contractors and providers.
- 5.9 There will be provision of training sessions by Procurement Unit to instruct practitioners on the application of the toolkit, consequently contract managers will be responsible for ensuring delivery of the agreed outputs, but will have support available from the Employment and Skills service.
- 5.10 Reviews of the effectiveness of the defined outputs from individual contracts will be undertaken every 6 months by Procurement Unit and Employment and Skills service.

6 Recommendations

- 6.1 The Local Government Association has recently launched a guide for councillors and senior officers called 'Buying into communities – Jobs, skills and business opportunities from council contracts' in an effort to equip its members with the knowledge to provide leadership to the delivery of community benefit through procurement. This will be made available via the procurement 'interest area' on the council's intranet.
- 6.2 The development of a toolkit for officers, including guidance and training, to ensure all necessary factors are appropriately addressed, and relevant legislation complied with when assessing the employment and skills opportunities suitable for particular contracts.
- 6.3 It is recommended that in approving business cases and subsequent decisions that lead to the award of a contract with a value in excess of £100,000, all decision makers assess each contract for appropriate employment and skills opportunities.

7 Background documents

- 7.1 In compiling this report regard has been had to the following.
 - i. Scrutiny Board (Sustainable Economy and Culture) report 22nd September 2011 and 20th October 2011
 - ii. Public Contract Regulations 2006
 - iii. Procurement Policy Guidelines (OGC 1998)
 - iv. Buying into our future: Sustainability Initiatives in Local Government Procurement (IDeA 2003)
 - v. Procuring the future – The Sustainable Procurement Task Force National Action Plan (DEFRA 2006)
 - vi. Sustainable Public Procurement in EU Member States: Overview of government initiatives and selected cases. Final Report to the EU High-Level Group on CSR. (Research Institute for Managing Sustainability 2007)
 - vii. National Procurement Strategy for Local Government (DCLG 2003)
 - viii. National Procurement Strategy for Local Government Final Report (DCLG 2008)
 - ix. Public Services (Social Value) Bill (HL Bill 113)
 - x. YORbuild Construction Framework for Yorkshire and Humber
 - xi. Main Guide to the West Midlands Procurement Framework for Jobs and Skill: Harnessing public and third sector buying power (West Midlands Economic Inclusion Panel 2010)
 - xii. Leeds City Council Business Plan 2011-15
 - xiii. Leeds City Priorities Plan 2011-15
 - xiv. Vision for Leeds 2011-30
 - xv. Leeds City Council Procurement Strategy 2011-15
 - xvi. Exploring the value of investing in a Manchester construction framework (Centre for Local Economic Studies 2011)
 - xvii. The net benefit to employer investment in Apprenticeship Training (Warwick Institute for Employment Research 2008)
 - xviii. Buying into communities – Jobs, skills and business opportunities from council contracts (LGA 2011)

Report of the Head of Scrutiny and Member Development

Report to Scrutiny Board (Sustainable Economy and Culture)

Date: 26th January 2012

Subject: Work Schedule

Are specific electoral Wards affected? If relevant, name(s) of Ward(s):	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Are there implications for equality and diversity and cohesion and integration?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Is the decision eligible for Call-In?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Does the report contain confidential or exempt information? If relevant, Access to Information Procedure Rule number: Appendix number:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

1 Purpose of this report

1.1 The purpose of this report is to consider the Scrutiny Board's work schedule for the forthcoming municipal year.

2 Main Issues

2.1 A draft work schedule is attached as appendix 1. The work programme has been provisionally completed pending on going discussions with the Board. The work schedule will be subject to change throughout the municipal year.

2.2 Also attached as appendix 2 and 3 respectively are the minutes of Executive Board 14th December 2011 and 4th January 2012 and the Council's current Forward Plan relating to this Board's portfolio.

3. Recommendations

3.1 Members are asked to:

- a) Consider the draft work schedule and make amendments as appropriate.
- b) Note the Executive Board minutes and Forward Plan

4. Background papers

4.1 None used

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Scrutiny Board (Sustainable Economy and Culture) Work Schedule for 2011/2012 Municipal Year

Area of review	Schedule of meetings/visits during 2011/12		
	June	July	August
City Centre Development/Promoting economic growth in the City <i>(Inquiry into how developments in Leeds are bringing skills, and training and jobs to local people)</i> .	Consider potential scope of review SB @ 10am		
Reducing CO2 emissions in the Local Authority Estate	Consider potential scope of review SB @ 10am		
The impact of existing major sources of travel movements within the City, and the plans being made to address the impact of known future developments on the City's transport infrastructure	Consider potential scope of review SB @ 10am	Initial discussion on the West Yorkshire Local Transport Plan and the Leeds Implementation Plan -SB	
The City's cultural development <i>(Inquiry into the engagement of young people in culture, sporting and recreational activities)</i>	Consider potential scope of review SB @ 10am	Agree terms of reference - SB	
Board initiated piece of Scrutiny work (if applicable) <i>Bowling Pitch Strategy</i>	Consider potential areas of review		
Budget & Policy Framework Plans			
Recommendation Tracking			
Performance Monitoring			

Key: SB – Scrutiny Board (Sustainable Economy and Culture) Meeting

WG – Working Group Meeting

Scrutiny Board (Sustainable Economy and Culture) Work Schedule for 2011/2012 Municipal Year

Area of review	Schedule of meetings/visits during 2011/12		
	September	20 th October	1 st December
City Centre Development/Promoting economic growth in the City (<i>Inquiry into how developments in Leeds are bringing skills, and training and jobs to local people</i>).	Agree Terms of Reference for Inquiry	Evidence gathering –session 1	
Reducing CO2 emissions in the Local Authority Estate			Consider potential areas for Scrutiny
The impact of existing major sources of travel movements within the City, and the plans being made to address the impact of known future developments on the City’s transport infrastructure	Discussion on the Leeds Implementation Plan and determine areas for further Scrutiny		Agree terms of reference for Inquiry
The City’s cultural development (<i>Inquiry into the engagement of young people in culture, sporting and recreational activities</i>)	Evidence gathering - session 1		Evidence gathering - session 2
Board initiated piece of Scrutiny work (if applicable)			
<i>Bowling Pitch Strategy</i>			
Budget & Policy Framework Plans			
Recommendation Tracking			
Performance Monitoring			

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Scrutiny Board (Sustainable Economy and Culture) Work Schedule for 2011/2012 Municipal Year

Area of review	Schedule of meetings/visits during 2011/12		
	26 th January	23 rd February	22 nd March
City Centre Development/Promoting economic growth in the City (<i>Inquiry into how developments in Leeds are bringing skills, and training and jobs to local people</i>).	Evidence gathering – session 2	Evidence gathering – session 3	
Reducing CO2 emissions in the Local Authority Estate, Contractors and Assets			Update report – Delivery Plan 2011/12 and wider performance information on CO2 reduction of contractors.
The impact of existing major sources of travel movements within the City, and the plans being made to address the impact of known future developments on the City’s transport infrastructure	Evidence gathering – session 1		Evidence gathering – session 2
The City’s cultural development (<i>Inquiry into the engagement of young people in culture, sporting and recreational activities</i>)		Evidence gathering - session 3. Formulation of recommendations and conclusions	
Budget Update	Quarterly update requested at Scrutiny Board October 2011. Simon Criddle lead officer		
Review of consultation practices within Highways Services		Report requested at Scrutiny Board October 2011. Gary Bartlett lead officer	
Board initiated piece of Scrutiny work (if applicable) <i>Bowling pitch strategy</i>			
Flood Risk Management			Scrutiny of Flood Risk Activities - The Flood & Water Management Act 2010
Budget & Policy Framework Plans			
Recommendation Tracking			
Performance Monitoring	City Priority Plans		

Scrutiny Board (Sustainable Economy and Culture) Work Schedule for 2011/2012 Municipal Year

Area of review	Schedule of meetings/visits during 2011/12		
	19 th April	May	
City Centre Development/Promoting economic growth in the City <i>(Inquiry into how developments in Leeds are bringing skills, and training and jobs to local people)</i> .	To consider draft final report		
Reducing CO2 emissions in the Local Authority Estate			
The impact of existing major sources of travel movements within the City, and the plans being made to address the impact of known future developments on the City's transport infrastructure	Evidence Gathering - Session 3 (Scrutiny report July 2012)		
The City's cultural development <i>(Inquiry into the engagement of young people in culture, sporting and recreational activities)</i>	To consider draft final report		
Budget Update	Quarterly update requested at Scrutiny Board October 2011. Simon Criddle lead officer		
Board initiated piece of Scrutiny work (if applicable)			
Budget & Policy Framework Plans <i>Bowling pitch strategy</i>			
Recommendation Tracking			
Performance Monitoring	City Priority Plans		

EXECUTIVE BOARD

WEDNESDAY, 14TH DECEMBER, 2011

PRESENT: Councillor K Wakefield in the Chair

Councillors J Blake, A Carter, M Dobson,
R Finnigan, S Golton, P Gruen, R Lewis,
A Ogilvie and L Yeadon

139 Introduction of the New City Solicitor

The Chair introduced and welcomed Catherine Witham, the newly appointed City Solicitor, to her first meeting of the Executive Board.

140 Late Items

There were no late items as such, however, it was noted that supplementary information had been circulated to Board Members following the despatch of the agenda in the form of a schedule of changes to the Leeds Development Framework Annual Monitoring Report based on comments received at the meeting of the Development Plan Panel held on 6th December 2011. The schedule was considered as part of agenda item 22 entitled, 'Local Development Framework Annual Monitoring Report 2011' (Minute No. 155 refers).

141 Declaration of Interests

Councillors Blake, Dobson, Gruen, Yeadon, Wakefield, Ogilvie, Finnigan, A Carter, R Lewis and Golton all declared personal interests in the agenda item entitled, 'Dog Control Orders – Phase 2', due to their respective positions as school governors (Minute No. 143 referred).

Councillor Wakefield declared a personal interest in the agenda item entitled, 'Commission on the Future of Local Government', due to his position as Chair of the Commission (Minute No. 160 referred).

A further declaration of interest was declared at a later point in the meeting (Minute No. 143 referred).

142 Minutes

RESOLVED – That the minutes of the meeting held on 2nd November 2011 be approved as a correct record.

ENVIRONMENTAL SERVICES

143 Dog Control Orders - Phase 2

Further to Minute No. 110, 3rd November 2010, the Director of Environment and Neighbourhoods submitted a report presenting the outcomes arising from the consultation undertaken on changes to the Dog Control Orders for Leeds. The report also sought approval to implement further specified powers under the Clean Neighbourhoods and Environment Act 2005, with effect from 1st

January 2012, in addition to an enforcement policy regarding the walking of more than four dogs at one time. In determining this matter, the Board took into consideration all matters contained within the accompanying report.

Following enquiries raised regarding the level of consultation which had been undertaken with schools in respect of their potential inclusion within the updated Dog Exclusion Order, officers undertook to re-engage with those schools which to date had not expressed an interest in being included within the Order.

Responding to comments raised which related to the issue of dog fouling, officers undertook to do further work on this matter, specifically addressing the points made during the meeting, namely, the possibility of additional bin provision and also the potential inclusion within the Orders of those public parks affected by dog fouling which were used as play facilities by young people.

The Board received assurances in respect of the further issues which had been raised, specifically regarding the enforcement and prosecution processes, together with the highly visible approach required when publicising such Orders.

In conclusion, the Chair thanked the Scrutiny Board (Safer and Stronger Communities) for the related work which they had undertaken on this issue.

RESOLVED –

- (a) That the outcomes arising from the consultation be noted.
- (b) That a Dog Control (Dogs on Leads at All Times) Order in the prescribed form be approved, requiring that on the specified land, dogs should be on a lead at all times. (The specified land will comprise all carriageways and adjacent footpaths and grass verges within the Leeds City Council district and in cemeteries and crematoria as detailed within Appendix A to the submitted report).
- (c) That the existing Dog Control (Dogs on Leads by Direction) Order (requiring dogs to be put on a lead when the person in control of it is directed to do so by an authorised officer) be revoked and that a new Order in the same terms be approved, which applies throughout the Leeds district on any land to which the Dog Control (Dogs on Leads at All Times) Order does not apply and to which the public are entitled or permitted to have access (with or without payment).
- (d) That the existing Dog Control (Exclusion) Order be revoked and replaced with a new Order with an updated schedule of land, as detailed within Appendix A to the submitted report, including other land designated for a specific purpose such as remembrance and wildlife gardens and school grounds where the schools have opted in to have such an order.

- (e) That the process for future review and consultation on the schedules of land within the Orders be agreed.
- (f) That the proposed Enforcement Policy for the Dog Specified Maximum Order be approved.

(Councillor Golton declared a personal interest in the decisions referred to within this minute, due to being a dog owner)

144 Recycling Strategy

Further to Minute No. 123, 2nd November 2011, the Director of Environment and Neighbourhoods submitted a report outlining proposals regarding the next phase of implementation for the Council's recycling collection strategy. In summary, the report presented the progress made against the existing recycling strategy, highlighted the extent to which current, planned initiatives would contribute towards recycling performance, detailed the Council's medium and long-term targets for recycling and outlined the strategy which would enable the Council to move towards achievement of its medium-term and longer-term goals. In determining this matter, the Board took into consideration all matters contained within the accompanying report.

The Board considered and received assurances in respect of a number of issues and implications arising from the proposals, including the need to tailor services to meet the differing demands of households, the capacity of the black bins, the need for services to adapt to any missed collections, issues regarding food waste collection, the potential use of neighbouring authorities' sorting sites, the winter cessation of garden waste collection, the financial implications arising from the proposals and the possibility of expanding the recyclable waste collection to include materials such as glass.

RESOLVED –

- (a) That the contents of the submitted report be noted and that the vision and key principles of the Integrated Waste Strategy for Leeds be reaffirmed.
- (b) That the proposed increases to the Council's household waste recycling target to 55% by 2016, with a long-term target to exceed 60% be approved.
- (c) That the proposed expansion of the Rothwell recycling collection service by up to 6,000 properties in 2012/13 be approved, which includes an injection into the Capital Programme of £27,000 for the purchase of food waste bins, and necessary authority to spend this amount.
- (d) That the proposal to implement a pilot of fortnightly collections of recycling and residual waste during 2012/13 be approved.

- (e) That the aim to roll-out of food waste collections to suitable properties city-wide, with the speed of roll-out in line with resource availability be reaffirmed.
- (f) That the need to procure a treatment solution for food waste alongside the city-wide roll-out of food waste collections be noted, together with the intention to undertake a technical options appraisal with a view to promoting the delivery of an anaerobic digestion solution for Leeds, should this represent the best value for money and environmental option.
- (g) That officers' intentions to seek further Member approvals regarding specific collection service roll-out plans be noted.

(Under the provisions of Council Procedure Rule 16.5, Councillor A Carter required it to be recorded that he voted against the decisions taken above)

145 Solar PV Initiative

Further to Minute No. 198, 30th March 2011, the Director of Environment and Neighbourhoods submitted a report advising of the Government's proposed changes to the Feed-In Tariff (FIT) arrangements for Solar PV and the impact of such changes upon the Council's proposals regarding Solar PV initiatives. The report also presented for approval a response to the Government's consultation on the proposed changes, and outlined proposals to undertake further work on developing cost neutral renewable schemes for council housing and the private sector (including PV), funded via FITs and the Renewable Heat Incentive, once further details of FITs for community schemes had been announced. In determining this matter, the Board took into consideration all matters contained within the accompanying report.

In responding to Members' enquiries, the Board received details regarding the process and speed at which the Solar PV initiative had been progressed in Leeds.

Following Members' comments, the Chief Executive highlighted the potential benefits which could be realised from the adoption of an appropriate scheme and suggested that any representations made on behalf of the Council in respect of this matter should be focussed upon the Renewable Heat Incentive.

RESOLVED –

- (a) That the contents of the submitted report and the reasons for putting both PV schemes on hold be noted.
- (b) That the formal response to the Department for Energy and Climate Change consultation, as detailed within Appendix 1 to the submitted report, be approved.
- (c) That officers be requested to continue to investigate the development of cost-neutral renewable schemes for council housing and the private

sector (including PV), funded via FITs and the Renewable Heat Incentive, once further details of FITs for community schemes are announced.

NEIGHBOURHOODS, HOUSING AND REGENERATION

146 Gypsies and Travellers Site Options - Selection Criteria

Further to Minute No. 57, 27th July 2011, the Director of Environment and Neighbourhoods submitted a report seeking the Board's approval to use the proposed site selection criteria, as detailed within the report, for the purposes of identifying potential sites to accommodate Gypsies and Travellers. In determining this matter, the Board took into consideration all matters contained within the accompanying report.

In responding to Members' enquiries regarding access to the list of those potential sites which had been identified across the city, it was confirmed that details of the prioritised sites only would be released once the process of identifying such sites had concluded. In addition, Members emphasised the need for such processes to be undertaken thoughtfully and robustly.

RESOLVED –

- (a) That the contents of the submitted report be noted.
- (b) That the site selection criteria, as detailed within the submitted report, be approved.

(Under the provisions of Council Procedure Rule 16.5, Councillor A Carter required it to be recorded that he voted against the decisions taken above, whilst Councillor Finnigan required it to be recorded that he abstained from voting on the decisions taken above)

147 Police Reform and Social Responsibility Act 2011 - Implications of Elected Police and Crime Commissioner

To consider the report of the Director of Environment and Neighbourhoods providing Executive Board with an overview of the Police Reform and Social Responsibility Act 2011, which received Royal Assent on 15th September 2011. In addition, the report highlighted the initial implications for Leeds arising from the introduction of a publicly elected Police and Crime Commissioner. In determining this matter, the Board took into consideration all matters contained within the accompanying report.

Members highlighted the exceptional partnership which had been developed over time between the Police and the Council and emphasised the need for such a productive partnership to continue in the future.

In conclusion, the Chair requested that a report be submitted to a future meeting of the Board in respect of the Police Reform and an assessment of any associated risks to the Council.

RESOLVED –

- (a) That the Police Reform and Social Responsibility Act, which received Royal Assent on 15th September 2011 be noted, together with the fact that a public election will take place in the city in November 2012 to appoint a Police and Crime Commissioner for the West Yorkshire Police Force area.
- (b) That the initial implications associated with the introduction of an elected Police and Crime Commissioner from November 2012, as set out within the submitted report, be noted.
- (c) That it be noted that the West Yorkshire Police Authority will oversee the transitional arrangements in the preparation for the introduction of the Act, and that the excellent work which has taken place between the city and the Police Authority over the years be recognised.
- (d) That a project group be established to consider and make recommendations to the Safer Leeds Executive and the Council's Executive Board, on a range of issues, as outlined within section 5 of the submitted report, in preparation for the appointment of the Police and Crime Commissioner.
- (e) That a report be submitted to a future meeting of the Board in respect of the Police Reform and an assessment of any associated risks to the Council.

CHILDREN'S SERVICES

148 Leeds Youth Offer

The Director of Children's Services submitted a report providing background information about the broader vision for children and young people in Leeds, and how the proposed Leeds Youth Offer fitted into that vision. In addition, the report also presented a summary of current issues in relation to service delivery, service outcomes and investment, and suggested next steps. In determining this matter, the Board took into consideration all matters contained within the accompanying report.

Following Members' enquiries, assurances were received in respect of greater emphasis being placed upon the role of the locality. In addition, it was proposed that an all party working group was established in order to progress the matters proposed.

RESOLVED – That the proposed outline vision and next steps for the delivery of a bigger, bolder, better offer for the young people of Leeds be supported.

149 The Ofsted Annual Assessment of Children's Services in Leeds

The Director of Children's Services submitted a report presenting the findings of Ofsted's Annual Assessment of Children's Services in Leeds. The Assessment was reported in the form of a letter to the local authority, as detailed at appendix 1 to the covering report, which was published on the Ofsted website on the 8th November 2011. In determining this matter, the

Board took into consideration all matters contained within the accompanying report.

On behalf of the Board, the Chair thanked all of those who had been involved in achieving the improved Ofsted Annual Assessment for Leeds.

RESOLVED –

- (a) That the content of the Ofsted Annual Assessment letter, as detailed within appendix 1 to the submitted report be noted.
- (b) That the ongoing improvement work which is taking place across the service be supported.

150 Transfer of Council Owned Land and Buildings to Academies

The Director of Children's Services submitted a report which sought in principle approval to the disposal of land, by way of a 125 year lease, to schools converting to Academy status, in accordance with the Academies Act 2010. In determining this matter, the Board took into consideration all matters contained within the accompanying report.

In response to Members enquiries, the Board was advised that any restrictions placed upon land which was transferred to Academies would be included within the lease.

RESOLVED – That the principle of disposing of land to schools converting to Academies, on the basis set out within the submitted report, be approved, with the final approval of the terms of such disposals being delegated to the Director of City Development, in consultation with the Director of Children's Services, Lead Members and appropriate Ward Members.

LEISURE

151 Scrutiny Board Recommendations - Cemeteries and Crematoria Horticultural Maintenance

Further to Minute No. 85, 7th September 2011, the Director of City Development submitted a report detailing and considering the recommendations arising from the former Scrutiny Board (City Development) inquiry into 'Cemeteries and Crematoria Horticultural Maintenance' and setting out proposals in light of the recommendations made, with particular reference to recommendation 2 of the inquiry report. In determining this matter, the Board took into consideration all matters contained within the accompanying report.

The Executive Member for Leisure thanked the former Scrutiny Board (City Development) for the work which it had undertaken and provided the Board with clarification on a minor error in respect of paragraph 4.6 of the submitted report.

RESOLVED –

- (a) That the contents of the submitted report be noted.

- (b) That approval be given to grave conditions being enforced on cemetery extensions and new cemeteries, following consultation on a site by site basis, in order to determine the proportion of lawned and non-lawned areas.
- (c) That approval be given to the enforcement process set out in paragraph 3.5 of the submitted report, which will take account of any specific faith issues that may be applicable when imposing grave conditions.
- (d) That approval be given to the provision of a designated area for memorials to be placed in strewing areas, as illustrated within Appendix 1 – 3(a) of the submitted report.

ADULT HEALTH AND SOCIAL CARE

152 Proposed Changes to Partnership Arrangements between Leeds City Council Adult Social Care and Leeds Partnerships NHS Foundation Trust

The Director of Adult Social Services submitted a report regarding the proposed integration of the specialist mental health social care services with the specialist secondary mental health service, which would include Leeds Partnership Foundation Trust (LPFT) acting as host organisation for the partnership. In determining this matter, the Board took into consideration all matters contained within the accompanying report.

RESOLVED –

- (a) That the proposal to integrate specialist mental health social care services with specialist secondary mental health service, with LPFT acting as host organisation for the partnership, be approved.
- (b) That the development of a Section 75 agreement, detailing the governance of the partnership between Adult Social Care and LPFT, be approved.
- (c) That the secondment of social care staff to LPFT from 1st April 2012 be agreed.
- (d) That it be noted that further detailed work will be undertaken to ensure the ongoing balance of social care management within the partnership.
- (e) That the review of roles and functions of social work within the partnership be noted.

RESOURCES AND CORPORATE FUNCTIONS

153 Financial Health Monitoring 2011/12 - Month 7

The Director of Resources submitted a report setting out the Council's projected financial health position after seven months of the financial year. The report reviewed the position of the budget after seven months and

commented upon the key issues impacting on the overall achievement of the budget for the current year. In determining this matter, the Board took into consideration all matters contained within the accompanying report.

In presenting the report, the Director of Resources provided Members with more recent information which had been received regarding financial contributions from the health service and advised that further details on this matter would be submitted to the next meeting of the Board.

Members emphasised concerns which had previously been raised regarding the need for issues relating to city centre car parking provision to be further considered and addressed. In response, the Director of City Development undertook to liaise with the Director of Environment and Neighbourhoods and report back to the Board on this matter.

Following Members' enquiries, the Board received an update both on the current overall position regarding Looked After Children and also in respect of Residential and Nursing Care Placements.

RESOLVED –

- (a) That the projected financial position of the authority, after seven months of the financial year, be noted.
- (b) That a report be submitted to a future meeting of the Board regarding city centre car parking provision.

154 Initial Budget Proposals

The Director of Resources submitted a report presenting the initial budget proposals for 2012/2013, which together with a forecast for 2013/2014 and 2014/2015, would form the basis of the Council's new medium term financial strategy. In determining this matter, the Board took into consideration all matters contained within the accompanying report.

Members were updated on the Local Government Finance Settlement, which had been announced following the publication of the report. The Board then thanked officers for all of their efforts on the savings which had been achieved to date.

RESOLVED – That the submitted report be agreed as the initial budget proposals and that such proposals be submitted to Scrutiny for consideration, with the proposals also being used as a basis for wider consultation with stakeholders.

(Under the provisions of Council Procedure Rule 16.5, Councillors A Carter and Golton required it to be recorded that they both abstained from voting on the decisions taken above)

(The matters referred to within this minute were not eligible for Call In, as decisions regarding the Council's budget are reserved to Council)

DEVELOPMENT AND THE ECONOMY

155 Local Development Framework Annual Monitoring Report 2011

The Director of City Development submitted a report presenting for approval the Leeds Local Development Framework (LDF) Annual Monitoring Report 2011 for the purposes of submission to the Secretary of State, which was pursuant to Regulation 48 of the Town and Country Planning (Local Development) (England) Regulations 2004. In determining this matter, the Board took into consideration all matters contained within the accompanying report.

Full copies of the Leeds LDF Annual Monitoring Report 2011 had been provided to Board Members for their consideration at the time of the agenda despatch. In addition, following the circulation of the agenda, supplementary information in the form of a schedule of changes to the Monitoring Report, based upon comments received at the meeting of the Development Plan Panel held on 6th December 2011, had been circulated to Board Members for their consideration.

Members discussed the content of the submitted report with respect to the matter of localism.

RESOLVED –

- (a) That the contents of the submitted report be noted.
- (b) That the Leeds Local Development Framework Annual Monitoring Report 2011 be approved for submission to the Secretary of State by 31st December 2011.

156 The Community Infrastructure Levy - Background Information, the Leeds context, and consultation response to the Government's draft regulations for reform

The Director of City Development submitted a report presenting for approval the Council's proposed response to the Government consultation exercise being undertaken in respect of the Community Infrastructure Levy (CIL). In addition, the report also provided background to the CIL and its implementation in Leeds, whilst also addressing the recommendation of the Scrutiny Board (Regeneration) on the proportion of CIL that should be allocated to local communities, a matter which was previously considered at the Executive Board meeting held on 2nd November 2011 (Minute No 117 referred). In determining this matter, the Board took into consideration all matters contained within the accompanying report.

Concerns were expressed that the level of the CIL which would be retained in local areas, as suggested within the submitted report as part of the draft response to the Government's related consultation exercise, may be too low and did not represent a 'meaningful proportion'. Concerns were also raised regarding the proposal, also within the draft response to the Government's related consultation exercise, to remove the cap on the amount of levy funding that charging authorities may apply to administrative expenses. In

response, the Chair requested that further work be undertaken in relation to all the concerns raised, with a further report on such matters being submitted to the Board in due course, in order to inform the Council's position.

RESOLVED –

- (a) That the background information relating to the implementation of the Community Infrastructure Levy in Leeds be noted.
- (b) That a Community Infrastructure Levy Charging Schedule be developed as a matter of priority, and that the necessary funding, as set out within paragraph 4.4.2 of the submitted report, be approved.
- (c) That further work be undertaken in relation to all the concerns raised during the discussion, with a further report on such matters being submitted to the Board in due course.

(Under the provisions of Council Procedure Rule 16.5, Councillor A Carter required it to be recorded that he abstained from voting on the decisions taken above)

RESOURCES AND CORPORATE FUNCTIONS

157 2011/2012 Quarter 2 Performance Report

The Assistant Chief Executive (Customer Access and Performance) submitted a report presenting a summary of the Quarter 2 performance data for 2011/12 which provided an update on progress in delivering the Council Business Plan 2011-15 and the City Priority Plan 2011-15. In addition, the report also provided an update on the related work undertaken to implement an Outcomes Based Accountability approach within the Council as considered by the Board, at its meeting on 22nd June 2011. In determining this matter, the Board took into consideration all matters contained within the accompanying report.

RESOLVED –

- (a) That the five key issues which have been highlighted: Budget, Looked-after children, Rate of Domestic Burglary, Transport and Planning Performance be noted, together with the work underway to address such issues.
- (b) That it be ensured that all reports Executive Board receive clearly evidence that effective consultation has taken place as appropriate and that due regard has been given to equality.
- (c) That the intention for the strategic partnerships to ensure that the focus remains on delivery be noted and that they lead a robust debate with partners on the performance reports for the shared city priorities.

158 Response to Scrutiny Board (Resources and Council Services) Inquiry Report into Employees' Register of Interests

The Director of Resources submitted a report responding to the recommendations arising from the Scrutiny Board (Resources and Council Services) inquiry into Employees' Register of Interests and outlining the actions proposed as a result. In determining this matter, the Board took into consideration all matters contained within the accompanying report.

RESOLVED – That the proposals, as set out within the submitted report, be adopted.

159 Equality Improvement Priorities 2011-2015

The Assistant Chief Executive (Customer Access and Performance) submitted a report presenting for approval the Equality Improvement Priorities 2011-2015, together with the revised Equality and Diversity Policy which outlined the Council's continued commitment to equality, detailed the Council's equality objectives, identified how progress would be measured and how the Council would continue to improve and further embed the equality agenda. In determining this matter, the Board took into consideration all matters contained within the accompanying report.

Members discussed the involvement of the Member Working Group in the work undertaken on the Equality Improvement Priorities, whilst the Chair congratulated all of those officers who had been involved in the Diversity Peer Assessment, which had received an 'excellent' rating against the Equality Framework for Local Government.

RESOLVED –

- (a) That the contents of the submitted report be noted.
- (b) That the Equality Improvement Priorities for 2011 to 2015 be agreed and approved.
- (c) That the revised Equality and Diversity Policy be agreed and approved.
- (d) That the proposal to circulate the submitted report to Area Committees, so that all Members are aware of the Council's Equality and Diversity Policy and Improvement Priorities, be noted.

160 Commission on the Future of Local Government

The Assistant Chief Executive (Customer Access and Performance) submitted a report providing an update on the work of the Commission on the Future of Local Government, which was exploring the concept of Civic Enterprise as a way to respond to the extreme change and challenges facing local government. In determining this matter, the Board took into consideration all matters contained within the accompanying report.

The Chair invited all relevant parties to provide their submissions to the Commission on the matters relating to the future role of Local Government, as detailed within the submitted report. The Chair advised that following further

work being undertaken by the Commission, the matter would be brought back to the Board for further consideration in the Spring of 2012.

RESOLVED –

- (a) That the work currently being undertaken by the Commission be noted.
- (b) That Executive Board continue to engage with the process, as detailed within the submitted report, with further updates being received by the Board as the Commission progresses.

DATE OF PUBLICATION: 16TH DECEMBER 2011

**LAST DATE FOR CALL IN
OF ELIGIBLE DECISIONS:** 23RD DECEMBER 2011 (5.00 P.M.)

(Scrutiny Support will notify Directors of any items called in by 12.00 p.m. on 28th December 2011)

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EXECUTIVE BOARD

WEDNESDAY, 4TH JANUARY, 2012

PRESENT: Councillor K Wakefield in the Chair

Councillors J Blake, M Dobson,
R Finnigan, S Golton, P Gruen, R Lewis,
A Ogilvie and L Yeadon

Councillor J Procter – Substitute Member

161 Substitute Member

Under the terms of Executive Procedure Rule 2.3 Councillor J Procter was invited to attend the meeting on behalf of Councillor A Carter.

162 Exempt Information - Possible Exclusion of the Press and Public

RESOLVED – That the public be excluded from the meeting during the consideration of the following parts of the agenda designated as exempt on the grounds that it is likely, in view of the nature of the business to be transacted or the nature of the proceedings, that if members of the public were present there would be disclosure to them of exempt information so designated as follows:-

- (a) Appendix 1 to the report referred to in Minute No. 168 under the terms of Access to Information Procedure Rule 10.4(3) and on the grounds that it relates to the financial or business affairs of a particular person, and of the Council. This information is not publicly available from the statutory registers of information kept in respect of certain companies and charities. It is considered that since this information was obtained through one to one negotiations for the disposal of the property/land then it is not in the public interest to disclose this information at this point in time. Also it is considered that the release of such information would, or would be likely to prejudice the Council's commercial interests in relation to other similar transactions in that prospective purchasers of other similar properties would have access to information about the nature and level of consideration which may prove acceptable to the Council. It is considered that whilst there may be a public interest in disclosure, much of this information will be publicly available from the Land Registry following completion of this transaction and consequently the public interest in maintaining the exemption outweighs the public interest in disclosing this information at this point in time.
- (b) Appendix 1 to the report referred to in Minute No. 173 under the terms of Access to Information Procedure Rule 10.4(3) and on the grounds that it contains information relating to the financial or business affairs of any particular person (including the authority holding that information). It is considered that the public interest in maintaining the content of

Draft minutes to be approved at the meeting
to be held on Friday, 10th February, 2012

Appendix 1 as exempt outweighs the public interest in disclosing the information at this point in time.

163 Late Items

The Chair admitted to the agenda, the following late items of business:

- (a) A report entitled, 'East Leeds Regeneration Board' (Minute No. 169 referred). It was deemed appropriate that this matter be considered by the Board as a matter of urgency in order to ensure that the Board received at the earliest opportunity the latest information and clarification with regard to the governance arrangements for the East Leeds Regeneration Board.
- (b) A report entitled, 'Letter from the Minister for Children and Families, Tim Loughton, regarding the Children's Services Improvement Notice', (Minute No. 182 referred). Following receipt of the correspondence from the Minister for Children and Families on the 21st December 2011, it was deemed appropriate that Executive Board members be provided at the earliest opportunity with the latest information regarding the lifting of the Improvement Notice upon Children's Services in Leeds.

164 Declaration of Interests

Councillor Dobson declared a personal interest in the agenda item entitled, 'Response to the Consultation on the Foundation Trust Application by Leeds NHS Trusts' due to being a member of Leeds Teaching Hospitals NHS Trust (Minute No. 173 referred).

Councillors Yeadon declared a personal interest in the agenda item entitled, 'Community First', due to her position on the Kirkstall Community First Panel and also a personal interest in the agenda item entitled, 'Response to the Consultation on the Foundation Trust Application by Leeds NHS Trusts', due to being a member of the Leeds Initiative: Health and Wellbeing Board (Minute Nos. 167 and 173 referred respectively).

Councillor Wakefield declared a personal interest in the agenda item entitled, 'Response to the Consultation on the Foundation Trust Application by Leeds NHS Trusts' due to being a member of the Leeds Initiative: Health and Wellbeing Board (Minute No. 173 referred).

Councillor Ogilvie declared a personal interest in the agenda item entitled, 'Community First', due to his position on his local Community First Panel (Minute No. 167 referred).

On behalf of Councillor Blake, who was scheduled to join the meeting at a later point, Councillor Wakefield declared that Councillor Blake had a personal interest in respect of the agenda item entitled, 'Community First', due to her position on her local Community First Panel and also a personal interest in the agenda item entitled, 'Response to the Consultation on the Foundation Trust Application by Leeds NHS Trusts', due to being a member of the Leeds

Initiative: Health and Wellbeing Board (Minute Nos. 167 and 173 referred respectively).

A further declaration of interest was made at a later point in the meeting (Minute No. 178 referred).

165 Minutes

RESOLVED – That the minutes of the meeting held on 14th December 2011 be approved as a correct record.

DEVELOPMENT AND THE ECONOMY

166 Deputation by Leeds Cycling Action Group

The Director of City Development submitted a report responding to the issues raised by the Leeds Cycle Action Group during the organisation's deputation to the Council meeting held on 16th November 2011. In determining this matter, the Board took into consideration all matters contained within the accompanying report.

Correspondence on behalf of the National Federation of the Blind addressed to the Leader of Council had been tabled at the meeting for Board Members' consideration. The correspondence detailed the Federation's specific concerns regarding the proposed cycle way for Cookridge Street and Portland Crescent.

In responding the correspondence circulated, the Executive Member for Development and the Economy undertook to schedule a meeting between representatives of the Council and the Federation, in order to discuss their specific concerns.

RESOLVED –

- (a) That the contents of the submitted report be noted.
- (b) That the concerns of the Leeds Cycling Action Group be acknowledged together with the programmes and initiatives which are being pursued by the Council which aim to satisfy such concerns, whilst also maintaining a balance of provision for all road users.
- (c) That the Chief Officer of Highways and Transportation be invited to address the Cycling Consultation Forum.
- (d) That a meeting be scheduled between representatives of both the Council and the National Federation of the Blind, in order to discuss the specific concerns which had been highlighted by the Federation.

NEIGHBOURHOODS, HOUSING AND REGENERATION

167 Community First

The Assistant Chief Executive (Customer Access and Performance) submitted a report which aimed to raise awareness of the Community First

Draft minutes to be approved at the meeting
to be held on Friday, 10th February, 2012

and Community Organiser programmes. In addition, the report sought the Board's support for the Council's active engagement and co-operation in establishing the Community First Programme in Leeds, together with the undertaking that other programmes, where appropriate, would be aligned with the Community First initiative. In determining this matter, the Board took into consideration all matters contained within the accompanying report.

Members welcomed the additional funding which would be received within targeted Wards, however, concerns were raised regarding the process by which the funding would be allocated, the extent to which the local authority had been involved in that process and how the targeted Wards had been identified.

Concerns were raised regarding the remit and the accountability arrangements for the Community Organisers. In addition, Members further considered the criteria which had been used to identify the targeted Wards and enquired how the funding would be used to specifically address those issues on which the selection criteria had been based, such as benefit claimant levels. In response, it was requested that a report was submitted to a future meeting of the Board in order to clarify such matters.

RESOLVED –

- (a) That the Council's active engagement and co-operation in establishing the Community First Programme in Leeds be supported.
- (b) That the alignment of the programme with other relevant initiatives be endorsed.
- (c) That the Board's awareness of the Community Organisers' Programme and the potential relationships with other related programmes, be noted.
- (d) That a further report be submitted to a future meeting of the Board in order to clarify those matters relating to the initiative which had been raised during the discussion.

168 60, Sholebroke Avenue, Chapeltown, LS7

Further to Minute No. 21, 22nd June 2010, the Director of Environment and Neighbourhoods submitted a report which sought approval to sell 60, Sholebroke Avenue, Chapeltown, to Unity HA at a less than best consideration in order to bring the property back into use as a 7 bedroomed family home for a family to be housed from the housing register. In determining this matter, the Board took into consideration all matters contained within the accompanying report.

Following consideration of Appendix 1 to the submitted report, designated as exempt under Access to Information Procedure Rule 10.4(3), which was considered in private at the conclusion of the meeting it was

RESOLVED – That 60, Sholebrook Avenue be sold at a less than best consideration and on the terms detailed within the exempt appendix to the submitted report to Unity HA, in order that the property can be refurbished to Code Level 3 for Sustainable Homes, and brought back into use as a 7 bedroomed family house.

169 East Leeds Regeneration Board

The Director of Environment and Neighbourhoods submitted a report outlining proposals regarding the establishment of area regeneration sub-boards to the overarching Housing and Regeneration Strategic Partnership Board, whilst also seeking Executive Board's endorsement of the governance arrangements set out for the East Leeds Regeneration Board. In determining this matter, the Board took into consideration all matters contained within the accompanying report.

Copies of the report and appendices had been circulated to all relevant parties following the publication of the agenda papers.

Following Members' enquiries, the Board received clarification with regard to the status of the Shadow Board. It was also emphasised that the Sub Board, when it became operational, would be an advisory body only. In addition, assurances were received regarding the composition of, and the appointment process to the East Leeds Regeneration Board. Enquiries were also raised regarding the geographical area covered by the Board and the added value that the proposals would bring.

Responding to a specific request that opposition representation on the Board was allowed to be taken from the overall membership of each opposition group, rather than just from those opposition Members representing the affected Wards, it was stated that this request would be given serious consideration.

In conclusion, the Chair acknowledged that further work was required to be undertaken with regard to regeneration in other parts of the city. Specifically in relation to the work currently being undertaken in East Leeds, further consideration could be given to the current model by Executive Board, should concerns remain.

RESOLVED –

- (a) That the proposal to establish area regeneration sub-boards, be noted.
- (b) That the arrangements for the East Leeds Regeneration Board, as detailed within the submitted report, be endorsed.

LEISURE

170 Review of Leeds City Council Gymnastics Training Scheme

The Director of City Development submitted a report seeking approval to transfer the operation of the Leeds Gymnastics Training Scheme from Leeds City Council to the City of Leeds Gymnastics Club Community Interest

Company, which would help develop gymnasts to reach their full potential, with a reducing contribution from the Council. In determining this matter, the Board took into consideration all matters contained within the accompanying report.

The Executive Member for Leisure paid tribute to all of those who had been involved in getting the scheme to its current position, particularly the City of Leeds Gymnastics Club.

Assurances were received in response to enquiries regarding the consultation process which had been undertaken.

RESOLVED –

- (a) That the transfer of the Leeds Gymnastics Training Scheme from Leeds City Council to the City of Leeds Gymnastics Club Community Interest Company from 1 April 2012 be approved.
- (b) That approval be given to Leeds City Council providing financial support to City of Leeds Gymnastics Club Community Interest Company up to a maximum of £250,000 over the next 4 year period.
- (c) That approval be given to Leeds City Council acting as guarantor on the leasehold (Unit 1 Limewood Business Park) for a period of 4 years commencing on 1st February 2012 and terminating 31st January 2016.

ADULT HEALTH AND SOCIAL CARE

171 Response to the Deputation to Council by the Access Committee for Leeds about celebrating volunteers of Leeds

The Assistant Chief Executive (Customer Access and Performance) together with the Director of Adult Social Services submitted a joint report responding to the issues raised by the Access Committee for Leeds during the organisation's deputation to the Council meeting held on 16th November 2011. In determining this matter, the Board took into consideration all matters contained within the accompanying report.

On behalf of the Board, the Chair thanked of those volunteers and voluntary organisations throughout Leeds who made an excellent contribution to the city.

RESOLVED –

- (a) That the contents of the submitted report be noted.
- (b) That the work which is taking place to support volunteering and the Third Sector be noted.
- (c) That Adult Social Care's approach towards ensuring that a diverse care market thrives in Leeds, and where localism and volunteering are

valued and encouraged alongside a wide variety of other providers, be noted and endorsed.

172 Outline Plan for Brook House, St Anne's on Sea

The Director of Adult Social Services submitted a report outlining proposals with regard to the future of Brook House. In summary, the report proposed to cease the use of Brook House, sell the property and pass the proceeds of the sale to Leeds Community Foundation, which would hold the sum in trust for those people of Leeds who broadly met the requirements of the bequest, in order to support their access to their individual choice of holiday arrangements. In determining this matter, the Board took into consideration all matters contained within the accompanying report.

In responding to enquiries, officers undertook to provide Members with details of any similar properties within the Council's possession which were located outside of the city boundary.

RESOLVED – That the following be approved, subject to the acceptance of the proposed course of action by the Charity Commission:-

- The Council submit a proposal to the Charity Commission for the disposal of the property known as Brook House demonstrating why the intended new purpose is in the best interest of the charity.
- That if approval is given by the Charity Commission to the Council's proposals, the Council proceeds with the sale of the property known as Brook House.
- The Council continues to work with Leeds Community Foundation to further an agreement on the establishment of a trust fund to continue to meet the broad requirements of the bequest from Harry Brook.

173 Response to the consultation on Foundation Trust application by Leeds' NHS Trusts

The Director of Adult Social Services submitted a report providing details of the Foundation Trust application process being undertaken by the Leeds NHS Trusts and which enabled the Board to consider and respond to the potential impact of such matters upon the local authority. In determining this matter, the Board took into consideration all matters contained within the accompanying report.

Following consideration of Appendix 1 to the submitted report, designated as exempt under Access to Information Procedure Rule 10.4(3), which was considered in private at the conclusion of the meeting it was

RESOLVED -

- (a) That the implications for the Local Authority arising from the Foundation Trust applications being undertaken by the Leeds NHS Trusts, be noted.
- (b) That the submission of the formal consultation responses be approved.
- (c) That a report providing further details regarding the current landlord and tenant issue between the Council and the Teaching Hospitals Trust, as outlined within exempt appendix 1 to the report, be submitted in due course.

174 Public report of the Local Government Ombudsman regarding a complaint about a joint service provided by the Council and Leeds Community Healthcare NHS Trust

The Director of Adult Social Services submitted a report which informed the Board of a finding of maladministration with injustice, in a report issued by the Local Government Ombudsman in November 2011. In determining this matter, the Board took into consideration all matters contained within the accompanying report.

On behalf of the Council, the Board and the Chief Executive conveyed their full and unreserved apologies to the family concerned for the service which they had received. In addition, the Board acknowledged the swift and positive actions taken by both the Council and Leeds Community Healthcare NHS Trust following receipt of the complaint, whilst tributes were also paid to the invaluable work which continued to be undertaken throughout the city within the area of Adult Social Care.

RESOLVED -

- (a) That the Ombudsman's Report and findings, together with the Council's response be received and noted.
- (b) That it also be noted that this case dates back as far as 2008 and since then the Council has provided a significant training programme to workers in the areas of Safeguarding Vulnerable Adults and the Mental Capacity Act.

RESOURCES AND CORPORATE FUNCTIONS

175 Financial Health Monitoring 2011/12 - Month 8

The Director of Resources submitted a report setting out the Council's projected financial health position after eight months of the financial year. The report reviewed the position of the budget after eight months and commented upon the key issues impacting on the overall achievement of the budget for the current year. In determining this matter, the Board took into consideration all matters contained within the accompanying report.

Following Members' enquiries, the Board was provided with the latest budgetary position within Environmental Services, specifically in relation to the

provision of waste disposal. In addition, clarification was also provided to Members regarding the proposed allocation of the income which had been received from NHS Leeds.

In conclusion, the Chair welcomed the all party approach which continued to be taken towards addressing the Council's current budgetary position. In addition, he paid tribute to all the actions which had been taken to achieve the savings made to date, whilst emphasis was also placed upon the vital nature of the services the Council continued to provide to vulnerable groups.

RESOLVED - That the projected financial position of the authority after eight months of the financial year be noted.

176 Large Casino - Approval of revised Gambling Act 2005 Statement of Licensing Policy 2010-2012

The Director of Resources submitted a report presenting comments from the Scrutiny Board (Resources and Council Services) on the revised Gambling Act 2005 Statement of Licensing Policy which contained a statement of the principles that the Council would apply when determining the large casino licence. In addition, the report also presented the comments from the same Scrutiny Board on the Consultation Report which was the proposed Council response to the public consultation exercise on the large casino section in the Policy, and the draft application pack. In determining this matter, the Board took into consideration all matters contained within the accompanying report.

Copies of the Statement of Licensing Policy 2010-2012 together with the Consultation Report had been circulated to Board Members for their consideration at the time of the agenda despatch.

RESOLVED –

- (a) That the comments made by Scrutiny Board (Resources and Council Services) on the revised Gambling Act 2005 Statement of Licensing Policy 2010-2012 and the consultation report be noted as the Council's response to the public consultation.
- (b) That the Statement of Licensing Policy 2010 – 2012, together with the associated Consultation Report be referred to full Council for approval.

(The matters referred to within this minute were not eligible for Call In, as the ultimate determination of such matters are reserved to Council)

DEVELOPMENT AND THE ECONOMY

177 Response to Deputation from Scott Hall and Sholebroke Tenants' and Residents' Association regarding the need for a Formal Crossing Facility on Scott Hall Road

The Director of City Development submitted a report responding to the issues raised by the Scott Hall and Sholebroke Tenants' and Residents' Association during the organisation's deputation to the Council meeting held on 16th

November 2011. In determining this matter, the Board took into consideration all matters contained within the accompanying report.

The Executive Member for Development and the Economy advised that the matters raised by the deputation would continue to be monitored.

RESOLVED –

- (a) That the contents of the submitted report be noted.
- (b) That the concerns raised by residents be acknowledged.
- (c) That approval be given to a further survey being undertaken at a different time of year in order to capture any potential additional seasonal pedestrian demand.

178 Interim Affordable Housing Policy

Further to Minute No. 221, 18th May 2011, the Director of City Development submitted a report providing a response to the recommendation of Scrutiny Board (Regeneration) agreed by the Scrutiny Board on 29th November 2011, which asked that the Executive Board “reconsiders this interim housing policy as a matter of urgency with a view to reinstating the 2008 affordable housing targets in relation to Greenfield sites”. In determining this matter, the Board took into consideration all matters contained within the accompanying report.

Councillor J Procter, as Chair of the Scrutiny Board (Regeneration) highlighted the issues which had been raised during the Scrutiny Inquiry, which had led to the recommendation to Executive Board.

Concerns were raised in relation to the retrospective applications which had been submitted by some developers in line with the lower affordable housing provision percentage targets of the interim policy, despite already having planning permission with agreements for provision of affordable housing at the previous higher level, with specific emphasis being placed upon those instances concerning Greenfield sites.

Responding to the concerns raised, it was emphasised that the interim policy needed to be maintained in order to stimulate the industry, however, Members noted that the matter would be closely monitored and would be resubmitted to the Board for review as appropriate, in order to adapt to any changes within the housing market.

In instances where permissions had been granted at appeal, but developers had yet to submit new planning applications for reduced contributions, Members highlighted as a potential way forward, the scope that the Local Planning Authority had to reconsider Section 106 packages on a case by case basis, and in consultation with local Members and communities could seek increased affordable housing contributions as a priority at the expense of other funding areas.

RESOLVED –

- (a) That the existing 2011 Interim Affordable Housing policy targets as agreed by Executive Board in May 2011 be retained.
- (b) That a monitoring report on the progress of the revised policy be received by the Board in Summer 2012.
- (c) That it be clarified that the implementation period is 2 years from the date of the decision to grant planning permission, subject to Section 106 obligations in order to secure the early delivery of affordable housing and that at the end of 2 years if not implemented, the percentage of affordable housing will revert to whatever the policy is at the time.
- (d) That on those Greenfield sites which are granted at appeal with higher levels of affordable housing, and where lower levels of affordable housing is sought in accordance with the interim policy, regard is had to the content of the overall Section 106 package together with local priorities, in consultation with Ward Members and local communities.

(Councillor Golton declared a personal interest in this matter, due to having relatives working within the building trade)

(Under the provisions of Council Procedure Rule 16.5, Councillor Finnigan required it to be recorded that he voted against the decisions taken above)

179 Bradford's Core Strategy: Further Engagement Draft 2011

The Director of City Development submitted a report identifying a number of policies and proposals detailed within Bradford's Core Strategy: Further Engagement Draft 2011, which had the potential to impact significantly upon Leeds. In addition, the report also recommended the submission of a response to Bradford's Core Strategy, as appended to the submitted report. In determining this matter, the Board took into consideration all matters contained within the accompanying report.

Members welcomed the recommendations within the report, but highlighted that similar issues may need to be addressed in respect to other neighbouring Local Authorities' Core Strategy documents. Responding to a specific enquiry, the Board noted that Kirklees Council's Core Strategy was not yet at the same stage as Bradford's and therefore the opportunity had not yet arisen to provide a response to it.

Following comments raised regarding the role which could be played by the Leeds City Region on this issue and the benefits of a cohesive approach being taken between authorities, the Chief Executive emphasised the good working relationships which existed between Leeds and Bradford and advised that further re-engagement could be made with other local authorities and on a Leeds City Region basis in addressing such matters, whilst further officer time could also be invested.

RESOLVED – That the Board formally object to Bradford’s Core Strategy: Further Engagement Draft, on the basis that:

- (i) proposals for redrawing the Green Belt boundary to enable development at Holme Wood and Menston would encroach into the strategic gap between Leeds and Bradford leading toward a merging of the two cities.
- (ii) traffic congestion and hazards would be created to roads in Leeds, particularly the A657 and routes to Drighlington and beyond, and the A65.

180 Neighbourhood Planning - Consultation Response to the Government's Draft Regulations for Reform

Further to Minute No. 121, 2nd November 2011, the Director of City Development submitted a report which presented for approval and subsequent submission to the Department for Communities and Local Government (DCLG), the Council’s draft response to the Government’s proposals regarding the reform of Neighbourhood Planning; Community Right to Build and Neighbourhood Development Orders. In determining this matter, the Board took into consideration all matters contained within the accompanying report.

Concerns were raised regarding the resource and budgetary implications arising from the Government’s proposals which would be placed upon the Council and it was suggested that representations were made to the Government emphasising that in order to ensure the proposals were implemented successfully, additional resource would be required.

The Board considered the differing approaches towards the initiative which would be adopted by individual communities and Parish and Town Councils, and highlighted the role of Area Committees and Area Management in neighbourhood planning matters.

RESOLVED –

- (a) That the contents of the submitted report, in association with the previous background information received by the Board at the meeting held on 2nd November 2011, be noted.
- (b) That the response to the Government’s proposals for reform of Neighbourhood Planning; Community Right to Build and Neighbourhood Development Orders, as set out within section 3 of the submitted report and also in the questionnaire attached as Appendix 1 be approved, and that the response be submitted to the Department for Communities and Local Government before 5th January 2012.
- (c) That the submitted report be circulated to Town and Parish Councils for their information.

(The matters referred to within this minute were not eligible for Call In, due to the 5th January 2012 deadline for responding to the DCLG consultation process on the draft neighbourhood planning regulations)

Draft minutes to be approved at the meeting
to be held on Friday, 10th February, 2012

CHILDREN'S SERVICES

181 Primary Basic Need 2013 - Outcome of Consultation on Proposals for Expansion of Primary Provision in 2013

The Director of Children's Services submitted a report which detailed the outcomes arising from the public consultation exercises undertaken regarding the expansion of primary provision across the city. In addition, the report made several recommendations with respect to the next steps for each of the proposals detailed within the submitted report. In determining this matter, the Board took into consideration all matters contained within the accompanying report.

In presenting the report, it was noted that regarding the Florence Street proposal, further consideration would need to be given to the activities on the existing refuse site which was in the proximity of the proposed school site. In addition, the strong representations which had been made regarding the proposal for the South Leeds Sports Centre site were acknowledged, and it was noted that work was ongoing in considering whether both leisure and educational provision could be accommodated on that same site.

In discussing this matter, Members highlighted the proposed significant expansion of Morley Newlands Primary School, received assurances regarding the work being undertaken in respect of Free Schools in Leeds and were provided with details regarding the costing exercise with respect to the decontamination work required at the Florence Street site. Having received details of what the temporary accommodation arrangements proposed within the submitted report entailed, assurances were provided that implementing such measures would be done in consultation with local Ward Members.

RESOLVED –

- (a) That the publication of an 'invitation to bid' statutory notice for a proposed new 420 place school with 26 place nursery on land at Florence Street to serve families in that area, be approved.
- (b) That the publication of an 'invitation to bid' statutory notice for a proposed new 420 place school with 26 place nursery on land at the former South Leeds sports centre to serve families in that area, be approved.
- (c) That the publication of a statutory notice for the expansion of Morley Newlands Primary School from 420 pupils to 630 pupils be approved.
- (d) That it be noted the authority will commission temporary increases in a number of areas whilst further evidence is gathered to identify permanent expansion proposals.

182 Letter from the Minister for Children and Families, Tim Loughton, regarding the Children's Services Improvement Notice

The Director of Children's Services submitted a report presenting for consideration a letter from the Minister for Children and Families, Tim Loughton, to the Leader of the Council, which confirmed that the Improvement Notice placed upon Leeds Children's Services in March 2010 had been lifted with immediate effect. In determining this matter, the Board took into consideration all matters contained within the accompanying report.

Copies of the report and appendices had been circulated to all relevant parties following the publication of the agenda papers.

The Board paid tribute to and thanked all officers involved, members of the Improvement Board, the Executive Member for Children's Services and the Director for all of their efforts which had led to the Minister for Children and Families lifting the Improvement Notice for Children's Services in Leeds. However, it was acknowledged that work would continue in order to ensure that Children's Services provision across the city continued to improve.

RESOLVED –

- (a) That the removal of the Improvement Notice from Children's Services in Leeds be noted, and it be acknowledged that this is an important milestone for the ongoing improvement journey.
- (b) That the important role which the Improvement Board has played in supporting the improvements made be formally acknowledged, and in particular, the Independent Chair, Bill McCarthy, together with the Support and Challenge Advisor, Penny Thompson, and all the partner agencies on the Board be thanked for their key contributions.
- (c) That the workforce of the Council together with its partners be thanked for achieving this significant milestone, in addition to their continued support in rising to the outstanding performance challenges faced.

DATE OF PUBLICATION: 6TH JANUARY 2012

**LAST DATE FOR CALL IN
OF ELIGIBLE DECISIONS:** 13TH JANUARY 2012 (5.00 P.M.)

(Scrutiny Support will notify Directors of any items called in by 12.00 p.m. on 16th January 2012)

Draft minutes to be approved at the meeting
to be held on Friday, 10th February, 2012



FORWARD PLAN OF KEY DECISIONS
Relating to Scrutiny Board (Sustainable Economy and Culture)

1 January 2012 – 30 April 2012

LEEDS CITY COUNCIL

FORWARD PLAN OF KEY DECISIONS

For the period 1 January 2012 to 30 April 2012

Key Decisions	Decision Maker	Expected Date of Decision	Proposed Consultation	Documents to be Considered by Decision Maker	Lead Officer (To whom representations should be made and email address to send representations to)
Design and Cost Report - ADDITIONAL HIGHWAY STRUCTURES CAPITAL MAINTENANCE, ASSESSMENT AND STRENGTHENING 2011/12 Capital Scheme Number: 99609 Authority for the design and implementation of an additional £500,000 of Highway Structures Capital Maintenance and Strengthening works for the 2011/12 financial year, funded from the Integrated Transport Scheme No. 99609 within the approved Capital Programme	Chief Officer (Highways and Transportation)	1/1/12	: Internal, members	Design and Cost Report	carolyn.walters@leeds. gov.uk

Key Decisions	Decision Maker	Expected Date of Decision	Proposed Consultation	Documents to be Considered by Decision Maker	Lead Officer (To whom representations should be made and email address to send representations to)
<p>Leeds Local Implementation Plan supporting document for the West Yorkshire Local Transport Team Report requesting authority to:</p> <p>Approval of the supporting document for Leeds setting out details of the strategy and implementation proposals for Leeds included in the West Yorkshire Local Transport Plan.</p>	<p>Chief Officer (Highways and Transportation)</p>	<p>1/1/12</p>	<p>The document sets out issues and proposals that have been consulted on as part of the Local Transport Plan preparation process which has included Members and stakeholders</p>	<p>Delegated decision report</p>	<p>andrew.hall@leeds.gov.uk</p>
<p>Gymnastics Training Scheme</p> <p>To agree the lease and financial arrangements for the new Gymnastics Training Scheme.</p>	<p>Executive Board (Portfolio: Leisure)</p>	<p>4/1/12</p>	<p>Executive Board Member, British Gymnastics</p>	<p>The report to be issued to the decision maker with the agenda for the meeting</p>	<p>mark.allman@leeds.gov.uk</p>

Key Decisions	Decision Maker	Expected Date of Decision	Proposed Consultation	Documents to be Considered by Decision Maker	Lead Officer (To whom representations should be made and email address to send representations to)
<p>Framework Agreement for the Procuring of fixed play ground equipment including MUGAs, teen shelters and skateboard BMX equipment Awarding of the Framework Contract for the supply and installation of playground equipment for a period of 3 years from the 1st March 2012 with the option to extend for a further 2 years if so required.</p>	<p>Director of City Development</p>	<p>1/2/12</p>	<p>Parks and Countryside, Procurement Unit.</p>	<p>Tender Returns</p>	<p>Martin Farrington, Director of City Development martin.wright@leeds.gov.uk</p>

Key Decisions	Decision Maker	Expected Date of Decision	Proposed Consultation	Documents to be Considered by Decision Maker	Lead Officer (To whom representations should be made and email address to send representations to)
<p>Aire Valley Leeds Enterprise Zone</p> <ul style="list-style-type: none"> Executive Board note and agree to: the proposals to establish an enterprise zone in Aire Valley Leeds and the governance arrangements regarding its operation. the use of Local Development Orders and that officers start the appropriate consultation process with a view to the secretary of state making a final approval of the orders in January/February 2012. an injection of fully funded capital resources and authority to spend for the funding and for legal documents to be completed for the installation of a main spine link road. 	<p>Executive Board (Portfolio: Development and the Economy)</p>	<p>10/2/12</p>	<p>City Development and LEP, Plans Panel Members, Ward Members, local communities and stakeholders</p>	<p>The report to be issued to the decision maker with the agenda for the meeting</p>	<p>peter.anderson-beck@leeds.gov.uk</p>

Key Decisions	Decision Maker	Expected Date of Decision	Proposed Consultation	Documents to be Considered by Decision Maker	Lead Officer (To whom representations should be made and email address to send representations to)
<p>To approve the allocation of the Three Year Grants for the Arts and Leeds Inspired Grants</p> <p>To approve the allocation of the Three Year Grants for the Arts and Leeds Inspired Grants</p>	<p>Executive Board (Portfolio: Development and the Economy)</p>	<p>7/3/12</p>	<p>Executive Board, Executive Member for Leisure</p>	<p>The report to be issued to the decision maker with the agenda for the meeting</p>	<p>catherine.blanshrd@leeds.gov.uk</p>

NOTES

Key decisions are those executive decisions:

- which result in the authority incurring expenditure or making savings over £250,000 per annum, or
- are likely to have a significant effect on communities living or working in an area comprising two or more wards

Executive Board Portfolios

Executive Member

Resources and Corporate Functions	Councillor Keith Wakefield
Development and the Economy	Councillor Richard Lewis
Environmental Services	Councillor Mark Dobson
Neighbourhoods Housing and Regeneration	Councillor Peter Gruen
Children's Services	Councillor Judith Blake
Leisure	Councillor Adam Ogilvie
Adult Health and Social Care	Councillor Lucinda Yeadon
Leader of the Conservative Group	Councillor Andrew Carter
Leader of the Liberal Democrat Group	Councillor Stewart Golton
Leader of the Morley Borough Indep	Councillor Robert Finnigan

In cases where Key Decisions to be taken by the Executive Board are not included in the Plan, 5 days notice of the intention to take such decisions will be given by way of the agenda for the Executive Board meeting.

LEEDS CITY COUNCIL

BUDGET AND POLICY FRAMEWORK DECISIONS

Decisions	Decision Maker	Expected Date of Decision	Proposed Consultation	Documents to be considered by Decision Maker	Lead Officer
Vision for Leeds	Council	To be confirmed	Via Executive Board, all Scrutiny Boards	Report to be issued to the decision maker with the agenda for the meeting	Assistant Chief Executive (Planning, Policy and Improvement)
Council Business Plan	Council	July 2013	Via Executive Board, all Scrutiny Boards	Report to be issued to the decision maker with the agenda for the meeting	Assistant Chief Executive (Policy, Planning and Improvement)
Sustainable Economy and Culture City Priority Plan	Council	July 2013	Via Executive Board, Scrutiny Board (Sustainable Economy and Culture), Leeds Initiative Board, sustainable Economy and Culture Partnership Board	Report to be issued to the decision maker with the agenda for the meeting	Director of City Development
Local Flood Risk Management	Council		Via Executive Board, Scrutiny	Report to be issued to the decision maker with the agenda	Director of City Development

Decisions	Decision Maker	Expected Date of Decision	Proposed Consultation	Documents to be considered by Decision Maker	Lead Officer
Strategy			Board (Sustainable Economy and Culture)	for the meeting	

NOTES:

The Council's Constitution, in Article 4, defines those plans and strategies which make up the Budget and Policy Framework. Details of the consultation process are published in the Council's Forward Plan as required under the Budget and Policy Framework.

Full Council (a meeting of all Members of Council) are responsible for the adoption of the Budget and Policy Framework.